FINANCIAL STATEMENTS

Making long-term value happen

CapMan

Financial Statements

Group Statement of Comprehensive Income (IFRS)

1,000 EUR	Note	1.1.–31.12.2024	1.1.–31.12.2023 restated
Continuing operations:			
Management fees		45,892	39,034
Sale of services		7,411	7,145
Carried interest		4,318	3,126
Turnover	2, 3	**57,621**	**49,305**
Other operating income	4	6	76
Employee benefit expenses	5	–33,330	–32,169
Depreciation, amortisation and impairment	6	–2,444	–1,393
Other operating expenses	7	–12,981	–10,899
Fair value gains/losses of investments	9	7,789	–6,115
Operating profit		**16,660**	**–1,196**
Financial income and expenses	10	–4,324	–696
Result before taxes (Continuing operations)		**12,336**	**–1,892**
Income taxes	11	–2,952	607
Profit for the financial year (Continuing operations)		**9,385**	**–1,285**

1,000 EUR	Note	1.1.–31.12.2024	1.1.–31.12.2023 restated
Discontinued operations:			
Result after taxes from discontinued operations	13	64,081	4,677
Result for the period		**73,466**	**3,392**
Other comprehensive income: Items that may be subsequently reclassified to profit or loss			
Translation difference		–84	11
Total comprehensive income		**73,382**	**3,403**
Profit attributable to:			
Equity holders of the Company		68,573	1,346
Non-controlling interest		4,893	2,047
Total comprehensive income attributable to:			
Equity holders of the Company		68,489	1,356
Non-controlling interest		4,893	2,047
Earnings per share for profit attributable to the equity holders of the Company:			
Earnings per share (basic), cents	12	39.5	0.8
Earnings per share (diluted), cents	12	39.3	0.8
Earnings per share from continuing operations for profit attributable to the equity holders of the Company:			
Earnings per share, cents		2.8	–1.9
Diluted, cents		2.8	–1.9

The Notes are an integral part of the Financial Statements.

Group Balance Sheet (IFRS)

1,000 EUR	Note	31.12.2024	31.12.2023
ASSETS			
Non-current assets			
Tangible assets	15	2,931	4,142
Goodwill	16	30,135	7,886
Other intangible assets	17	12,388	10
Investments at fair value through profit and loss	18		
Investments in funds		167,221	158,907
Other financial assets		571	508
Receivables	19	7,052	6,525
Deferred tax assets	20	1,733	1,896
		222,031	179,874
Current assets			
Trade and other receivables	21	27,360	20,382
Financial assets at fair value through profit or loss	22	3,790	275
Cash and bank	23	90,142	41,017
		121,292	61,674
Total assets		**343,322**	**241,547**

1,000 EUR	Note	31.12.2024	31.12.2023
EQUITY AND LIABILITIES			
Equity attributable to the Company's equity holders	24		
Share capital		35,198	772
Share premium account		38,968	38,968
Other reserves		21,114	21,114
Translation difference		–653	–570
Retained earnings		104,166	52,914
Total equity attributable to the Company's equity holders		198,793	113,197
Non-controlling interests		3,775	1,928
Total equity		202,568	115,125
Non-current liabilities			
Deferred tax liabilities	20	8,536	5,991
Interest-bearing loans and borrowings	25	101,262	92,470
Other non-current liabilities	26	547	484
		110,345	98,945
Current liabilities			
Trade and other payables	27	19,378	24,155
Interest-bearing loans and borrowings	28	1,271	1,386
Current income tax liabilities		9,760	1,936
		30,409	27,477
Total liabilities		140,754	126,422
Total equity and liabilities		**343,322**	**241,547**

The Notes are an integral part of the Financial Statements.

Group Statement of Changes in Equity (IFRS)

1,000 EUR	Note	Attributable to the equity holders of the Company						
		Share capital	Share premium account	Other reserves	Translation difference	Retained earnings	Total	Non-controlling interests
Equity on 1 January 2023	24	**772**	**38,968**	**35,425**	**–582**	**65,473**	**140,056**	**2,088**
Profit for the year						1,346	1,346	2,047
Other comprehensive income for the year								
Currency translation differences					11		11	
Total comprehensive income for the year					**11**	**1,346**	**1,357**	**2,047**
Performance Share Plan						–1,148	–1,148	
Dividends and return of capital				–14,312		–12,819	–27,131	–2043
Transactions with non-controlling interests						62	62	–163
Equity on 31 December 2023	24	**772**	**38,968**	**21,114**	**–570**	**52,914**	**113,197**	**1,928**
Profit for the year						68,573	68,573	4,893
Other comprehensive income for the year								
Currency translation differences					–84		–84	
Total comprehensive income for the year					**–84**	**68,573**	**68,488**	**4,893**
Directed share issue related to business combination	14	34,427					34,427	62
Performance Share Plan						25	25	
Dividends and return of capital						–18,016	–18,016	–3,986
Transactions with non-controlling interests						672	672	878
Other changes					2	–2	0	
Equity on 31 December 2024	24	**35,198**	**38,968**	**21,114**	**–653**	**104,166**	**198,793**	**3,775**

The Notes are an integral part of the Financial Statements.

Group Cash Flow Statement (IFRS)

1,000 EUR	Note	1.1.–31.12.2024	1.1.–31.12.2023
Cash flow from operations			
Profit for the financial year		73,466	3,392
Adjustments on cash flow statement	8	–54,595	9,666
Change in working capital:			
Change in current non-interest-bearing receivables		–4,505	6,319
Change in current trade payables and other non-interest-bearing liabilities		–3,130	–263
Interest paid		–3,661	–4,373
Taxes paid		–4,391	–2,658
Cash flow from operating activities		**3,185**	**12,084**
Cash flow from investing activities			
Acquisition of subsidiaries		1,695	–207
Proceeds from sale of subsidiaries		59,068	4,202
Investments in tangible and intangible assets		–47	–26
Investments at fair value through profit and loss		–2,241	172
Long-term loan receivables granted		–1,492	–1,522
Receivables from long-term receivables		1,084	47
Interest received		1,425	786
Cash flow from investing activities		**59,492**	**3,452**

1,000 EUR	Note	1.1.–31.12.2024	1.1.–31.12.2023
Cash flow from financing activities			
Proceeds from borrowings	29	59,668	11
Repayment of long-term loan	29	–50,102	0
Payment of lease liabilities		–1,267	–1,165
Dividends paid and return of capital		–22,004	–29,194
Cash flow from other financing items		0	31
Cash flow from financing activities		**–13,705**	**–30,317**
Change in cash and cash equivalents		**48,972**	**–14,782**
Cash and cash equivalents at start of year		41,017	55,944
Translation difference		153	–146
Cash and cash equivalents at end of year	23	**90,142**	**41,017**

The Notes are an integral part of the Financial Statements.

Notes to the Consolidated Financial Statements

Group information

CapMan's business comprise of private equity fund management and advisory services, as well as investment business. In the Management Company Business, the funds managed by CapMan make investments in Nordic companies and in real estate and infrastructure assets in the Nordic countries. The Management Company Business also includes the wealth services offered to smaller investors. At the moment, CapMan does not have active continuing businesses in the Service Business. Through its investment business, CapMan invests in the private equity asset class, mainly in its own funds, but also selectively in funds managed by external fund managers.

The parent company of the Group is CapMan Plc and is domiciled in Helsinki, with a registered office address at Ludviginkatu 6, 00130 Helsinki, Finland.

The Consolidated Financial Statements may be viewed online at www.capman.com, or a hard copy is available from the office of the parent company.

The Consolidated Financial Statements for 2024 have been approved for publication by CapMan Plc's Board of Directors on February 12, 2025. Pursuant to the Finnish Companies Act, shareholders may adopt or reject the financial statements and make decisions on amendments to them at the Annual General Meeting.

1. Accounting policies

Basis of preparation

The Group's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) in force at December 31, 2024 as adopted by the European Union. International Financial Reporting Standards, referred to in the Finnish Accounting Act and in ordinances issued based on the provisions of this Act, are standards and their interpretations adopted in accordance with the procedure laid down in regulation (EC) No 1606/2002 of the European Parliament and of the Council. The notes to the consolidated financial statements have been prepared in accordance with the Finnish accounting standards as and where they supplement IFRS requirements.

The preparation of financial statements in conformity with IFRS requires the Group's management to make estimates and assumptions when applying CapMan's accounting principles, and these are presented in more detail under 'Use of estimates'.

The Consolidated Financial Statements have been prepared under the historical cost convention, except for financial assets and liabilities valued at fair value through profit or loss. The information in the Consolidated Financial Statements is presented in thousands of euros. Figures in the accounts have been rounded and consequently the sum of individual figures can deviate from the presented sum figure.

New and amended standards and interpretations applied in financial year ended

The Group has applied the following amended standards and interpretations that have come into effect as of January 1, 2024.

- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures, which introduced disclosure requirements about a company's supplier finance arrangements.
- Amendments to IAS 1 Presentation of Financial Statements, which specify how a company is to determine, in the statement of financial position, debt and other liabilities with an uncertain settlement date.
- Amendments to IFRS 16 Leases, which specify how the seller-lessee subsequently measures sale and leaseback transactions.

The above mentioned amendments had no material impact on the consolidated financial statements.

Adoption of new and amended standards and interpretations applicable in future financial years

The Group has not yet adopted the new and amended standards and interpretations already issued by the IASB, such as IFRS 18 Presentation and Disclosure in Financial Statements. The Group will adopt them as of the effective date or, if the date is other than the first day of the financial year, from the beginning of the subsequent financial year. The Group expects IFRS 18 to have a limited impact on the structure and subtotals of the consolidated income statement and disclosures given with regards to management-defined performance measures, but does not expect other amendments or new standards to have a material impact on the Group's financial statements.

Consolidation principles

As CapMan has determined it meets the definition of an investment entity, its subsidiaries are classified either as operating subsidiaries, that are considered to be an extension of the Parent's operations, and as such, they are consolidated or investment entity subsidiaries, that are fair valued through profit or loss. The types of subsidiaries and their treatment in CapMan's consolidated accounts are as follows:

- Subsidiaries that provide fund management services (fund managers) or manage direct investments are considered to be an extension of the Parent's business and as such, they are consolidated;
- Subsidiaries that provide fund management services (fund managers) and which also hold direct investments in the funds are consolidated and the investments in the funds are fair valued through profit or loss;
- Subsidiaries that provide fund investment advisory services (advisors) are considered to be an extension of the Parent's business and as such, they are consolidated;
- Investment entity subsidiaries (CapMan Fund Investments SICAV-SIF), through which CapMan makes its own fund investments, are valued at fair value through profit or loss.

Significant judgment applied by management in the preparation of the consolidated financial statements – investment entity basis
CapMan qualifies as an investment entity as defined by IFRS 10, because the corner stone of its business purpose is to obtain capital from investors to its closed-end private equity funds and to provide investment management services to those funds to gain both capital appreciation and investment income. Direct investments represent a relatively small part compared to total assets under management. CapMan obtains funds from many external investors for investment purposes. Documented exit strategies exist for each fund's portfolio investments. Each fund's portfolio investments and the real estate investments are fair valued and such fair value information is provided both to the fund investors on reporting date and also for CapMan's internal management reporting purposes. In addition, management has assessed that the following characteristics further support investment entity categorization: CapMan holds several investments itself in the funds, investments in the funds are held by several investors, the investors are not related parties and the investments are held mostly in form of equity.

Significant judgment applied by management in the preparation of the consolidated financial statements – control over funds
One of the most significant judgments management made in preparing the Company's consolidated financial statements is the determination that Company does not have control over the funds under its management. Control is presumed to exist when a parent has power over the investee, has exposure to variable returns from the fund and is able to use its power to affect the level of returns.

CapMan manages the funds against management fee received from the investors on the basis of the investment management mandate negotiated with the investors and it also makes direct investments in the funds under its management. Accordingly, CapMan was required to determine, whether it is acting primarily as a principal or as an agent in exercising its power over the funds.

In the investment management mandate the investors have set detailed instructions in all circumstances relating to the management of the fund limiting the actual influence of the general partner at very low. In general, having a qualified majority, investors have a right to replace the general partner and/or fund manager. The remuneration CapMan is entitled to is commensurate with the services it provides and corresponds to remuneration customarily present in arrangements for similar services on an arm's length basis. CapMan's direct investment (typically between of 1% to 5%) in the funds and thus the share of the variability of the returns compared with the other investors is relatively small. As an investor in the fund CapMan has no representation nor voting rights as it has been specifically excluded in the investment management mandate.

Therefore, management has concluded that despite it from formal perspective exercises power over the funds by controlling the general partner of the fund, its actual operational ability is limited in the investment management mandate in a manner that the general partner is considers to act as an agent. Furthermore, CapMan's exposure to variable returns from the fund and its power to affect the level of returns is very low for the reasons described above. Therefore, CapMan has determined that it does not have control over the funds under its management.

Subsidiaries
Subsidiaries are consolidated using the acquisition method. All intercompany transactions are eliminated in the Consolidated Financial Statements. Profit or loss, together with all other comprehensive income-related items, are booked to the owners of the parent company or owners not holding a controlling interest in the companies concerned. Non-controlling interests are presented in the Consolidated Balance Sheet under equity separately from equity attributable to the owners of the parent company.

Subsidiaries and businesses acquired during the year are consolidated from the date on which the Group acquires a controlling interest, and in the case of companies and businesses divested by the Group during the financial year up to the date on which CapMan's controlling interest expires.

Associates
An associated company is an entity in which the Group has significant influence but does not hold a controlling interest. This is generally defined as existing when the Group holds, either directly or indirectly, more than 20% of a company's voting rights.

Associated companies have been consolidated in accordance with the equity method. Under this, the investment in an associated company is carried in the balance sheet at cost plus post-acquisition changes in the Group's share of the company's net assets, less any impairment value. If the Group's share of the loss incurred by an associated company exceeds the book value of its investment, the investment is booked at zero in the balance sheet, and losses exceeding book value are not combined unless the Group is committed to meeting the obligations of the company concerned. The Group's share of the profit recorded by an associated company during the financial year in accordance with its holding in the company is presented as a separate item in the income statement after operating profit.

Segment reporting
Operating segments are reported in accordance with internal reporting presented to the chief operating decision maker. The latter is responsible for allocating resources to operating segments and evaluating their performance and is defined as the Group's Management Group, which is responsible for taking strategic decisions affecting CapMan.

Translation differences
The result and financial position of each of the Group's business units are measured in the currency of the primary economic environment for that unit ('functional currency'). The Consolidated Financial Statements are presented in euros, which is the functional and presentation currency of the Group's parent company.

Transactions in foreign currencies have been recorded in the parent company's functional currency at the rates of exchange prevailing on the date of the transactions; in practice a reasonable approximation of the actual rate of exchange on the date of the transaction is often used. Foreign exchange differences for operating business items are recorded in the appropriate income statement account before operating profit and, for financial items, are recorded in financial income and expenses. The Group's foreign currency items have not been hedged.

In the consolidated financial statements, the income statements of subsidiaries that use a functional currency other than the euro are translated into euros using the average rates for the accounting period. Their balance sheets are translated using the closing rate on the balance sheet date. All resulting exchange differences are recognised in other comprehensive income.

Translation differences caused by changes in exchange rates for the cumulative shareholders' equity of foreign subsidiaries have been recognised in other comprehensive income.

Tangible assets

Tangible assets have been reported in the balance sheet at their acquisition value less depreciation according to plan. Assets are depreciated on a straight-line basis over their estimated useful lives.

The estimated useful lives are as follows:

Machinery and equipment	4–5 years
Other long-term expenditure	4–5 years

The residual values and useful lives of assets are reviewed on every balance sheet date and adjusted to reflect changes in the expected economic benefits where necessary.

Tangible assets include right-of-use assets measured in accordance with IFRS 16, which are disclosed in the notes. More information on these items is included in chapter Leases of Accounting Policies.

Intangible assets

Goodwill

Goodwill acquired in a business merger is booked as the sum paid for a holding, the holding held by owners with a non-controlling interest, and the holding previously owned that, when combined, exceeds the fair value of the net assets of the acquisition. Write-offs are not made against goodwill, and possible impairment of goodwill is tested annually. Goodwill is measured as the original acquisition cost less accumulated impairment. The goodwill acquired during a merger is booked against the units or groups of units responsible for generating the cash flow used for testing impairment. Every unit or group of units for which goodwill is booked represents the lowest level of the organisation at which goodwill is monitored internally for management purposes. Goodwill is monitored at operating segment level.

Other intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets are recognised in the balance sheet only if the cost of the asset can be measured reliably and if it is probable that the future economic benefits attributable to the asset will flow to the Group.

Agreements and trademarks acquired in business mergers are booked at fair value at the time of acquisition. As they have a limited life, they are booked in the balance sheet at acquisition cost minus accumulated write-offs. IT systems are expensed on the basis of the costs associated with acquiring and installing the software concerned. Depreciation is spread across the financial life of the relevant software licences. Impairment is tested whenever there is an indication that the book value of intangible assets may exceed the recoverable amount of these assets.

The estimated useful lives are:

Agreements and trademarks	5–10 years
Other intangible assets	3–5 years

Impairment of assets

The Group reviews all assets for indications that their value may be impaired on each balance sheet date. If such indication is found to exist, the recoverable amount of the asset in question is estimated. The recoverable amount for goodwill is measured annually independent of indications of impairment.

The need for impairment is assessed on the level of cash-generating units, in other words at the smallest identifiable group of assets that is largely independent of other units and cash inflows from other assets. The recoverable amount is the fair value of an asset, less costs to sell or value in use. Value in use refers to the expected future net cash flow projections, which are discounted to the present value, received from the asset in question or the cash-generating unit. The discount rate used in measuring value in use is the rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment is recorded in the income statement as an expense. The recoverable amount for financial assets is either the fair value or the present value of expected future cash flows discounted by the initial effective interest rate.

An impairment loss is recognised whenever the recoverable amount of an asset is below the carrying amount, and it is recognised in the income statement immediately. An impairment loss of a cash-generating unit is first allocated to reduce the carrying amount of any goodwill allocated to the cash-generating unit and then to reduce the carrying amounts of the other assets of the unit pro rata. An impairment loss is reversed if there is an indication that an impairment loss may have decreased and the carrying amount of the asset has changed from the recognition date of the impairment loss.

The increased carrying amount due to reversal cannot exceed what the depreciated historical cost would have been if the impairment had not been recognised. Reversal of an impairment loss for goodwill is prohibited. The carrying amount of goodwill is reviewed for impairment annually or more frequently if there is an indication that goodwill may be impaired, due to events and circumstances that may increase the probability of impairment.

Financial assets

The Group's financial assets have been classified into the following categories:

1) financial assets at fair value through profit or loss
2) financial assets at amortised cost

Investments in equity instruments are always measured at fair value through profit or loss. Classification of debt instruments, such as trade and loan receivables, is based on the business model for managing and for the contractual cash flow characteristics of these financial assets. Debt instruments of the Management Company Business and Service Business are classified as financial assets at amortised cost, because they are held solely in order to collect contractual cash flows, which are solely payments of principal and interest. Liquid current debt instruments, such as investments to interest funds, made primarily for cash management purposes, are recognised at fair value through profit or loss. Non-current debt instruments included in the Investment Business are held for both selling purposes and collecting contractual cash flows (principal and interest), and the Group designates these assets as measured at

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fair value through profit or loss, in order to reduce inconsistency with regards to recognizing gains and losses of financial assets within the Investment Business, because the Group as an investment entity manages and monitors the performance of these investments based on fair values according to group's investment strategy.

Transaction costs are reported in the initial cost of financial assets, excluding items valued at fair value through profit or loss. All purchases and sales of financial instruments are recognised on the trade date. An asset is eligible for derecognition and removed from the balance sheet when the Group has transferred the contractual rights to receive the cash flows or when it has substantially transferred all of the risks and rewards of ownership of the asset outside the Group. Financial assets are classified as current if they have been acquired for trading purposes or fall due within 12 months.

Financial assets at fair value through profit or loss

Fair value through profit or loss class comprises of financial assets that are equity instruments or acquired as held for trading, in which case they can be either equity or debt instruments or derivative instruments. Debt instruments are also classified to this class, if they are held for both selling purposes and collecting contractual cash flows and which CapMan as an investment entity designates as financial assets at fair value through profit or loss at initial recognition in order to reduce inconsistency with regards to recognizing gains and losses of financial assets within the Investment Business.

Fund investments and other investments in non-current assets are classified as financial assets at fair value through profit or loss and their fair value change is presented on the line item "Fair value changes of investments" in the statement of comprehensive income. Fair value information of the non-current fund investments is provided quarterly to Company's management and to other investors in the investment funds management by CapMan. The valuation of CapMan's funds' investment is based on International Private Equity and Venture Capital Valuation Guidelines (IPEVG) and IFRS 13.

Investments in listed shares, funds and interest-bearing securities as well as those derivative instruments that do not meet the hedge accounting criteria or for which hedge accounting is not applied in current assets are measured at fair value through profit or loss. Listed shares and derivative contracts in current assets are measured at fair value by the last trade price on active markets on the balance sheet date. The fair value of current investments in funds is determined as the funds' net asset value at the balance sheet date. The fair value of current investments in interest-bearing securities is based on the last trade price on the balance sheet date or, in an illiquid market, on values determined by the counterparty.

The change in fair value of current financial assets measured at fair value through profit or loss as well as dividend and interest income from short-term investments in listed shares and interest-bearing securities are presented on the line item "Fair value changes of investments" in the statement of comprehensive income, except for derivative instruments, which are used for a fair value hedge purpose. In these cases, the effectively hedging component of the derivative instrument's fair value change is recognised in the same line item as the hedged item's change in the statement of comprehensive income, and the remainder of the derivative's fair value change is recognised as a financing cost. CapMan uses derivative instruments, such as foreign currency forward contracts, to hedge against currency changes of foreign currency denominated trade receivables, but does not apply hedge accounting to these derivatives. In these cases, the change of fair value of the derivative instrument that offsets an equal change of the foreign currency denominated trade receivable, being the hedged item, is recognised on the same line item as the change of the hedge item, i.e. in turnover.

Financial assets at amortised cost

Financial assets at amortised cost mainly include non-interest-bearing trade receivables and interest-bearing loan receivables of the Management Company Business and Service Business. These financial assets are held solely in order to collect contractual cash flows, and whose payments are fixed or determinable and which are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period, which are classified as non-current assets.

Expected credit loss of the trade receivables is evaluated by using the simplified approach allowed by IFRS 9, under which a provision matrix is maintained, based on the historical credit losses and forward-looking information regarding general economic indicators. In addition, materially overdue receivables are evaluated on a client basis.

Expected credit losses of loan receivables is evaluated based on the general approach under IFRS 9. The group evaluates the credit risk of the borrowers by estimating the delay of the repayments and borrower's future economic development. Depending on the estimated credit risk the group measures the loss allowance at an amount equal to 12-month expected credit losses or lifetime expected credit losses. Inputs used for the measurement of expected credit losses include, among others, available statistics on default risk based on credit risk rating grades and the historical credit losses the group has incurred.

Credit risk of a loan receivable is assumed low on initial recognition in case the contractual payments of principal and interest are dependent on the cash proceeds the borrower receives from the underlying investments. In these cases, the borrower is considered to have a strong capacity to meet its contractual cash flow obligations in the near term. It is considered that there has been a significant increase in the credit risk, if the contractual payments have become more than 30 days past due, and a default event has occurred, if the payment is more than 90 days past due, unless resulting from an administrative oversight.

Cash and cash equivalents

Cash and short-term deposits in the balance sheet comprise cash in banks and in hand, as well as liquid short-term deposits such as investments to money market funds. Cash assets have a maximum maturity of three months.

Non-current assets held for sale and discontinued operations

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale, if it is highly probable that they will be recovered primarily through sale rather than through continued use. The recognition criteria are regarded to be met when a sale is highly probable, the asset (or a disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary, the management is committed to the plan to sell the asset and the sale is expected to take place within one year from the date of classification.

As from the classification date, a non-current asset (or a disposal group) held for sale is measured at the lower of its carrying amount and fair value less costs of disposal. Once classified as held for sale, intangible and tangible assets are no longer amortised nor depreciated.

An operation is classified as discontinued, if it has been disposed of or is classified as held for sale, and represents a separate major line of business, which can be clearly distinguished and has been a cash-generating unit or a group of cash-generating units while being held for use. Discontinued operations are disclosed separately in the income statement and figures for comparison periods are restated accordingly.

Dividend payment and repayment of capital

Payment of dividends and repayment of capital is decided in the Annual General Meeting. The dividend payment and repayment of capital proposed to the Annual General Meeting by the Board of Directors is not subtracted from distributable funds until approved by the Annual General Meeting.

Financial liabilities

Financial liabilities largely consist of loans from financial institutions, leasing liabilities and derivate liabilities. Financial liabilities are initially recognised at fair value. Transaction costs are reported in the initial book value of the financial liability. Financial liabilities, except for derivative liabilities, are subsequently carried at amortized cost using the effective interest method. Derivative liabilities are measured at fair value through profit or loss. Financial liabilities are reported in non-current and current liabilities.

Leases

Group's lease agreements are mainly related to facilities, company cars and IT equipment. Group applies the exemptions allowed by the standard on lease contracts for which the lease term ends within 12 months as of the initial application, and lease contracts for which the underlying asset is of low value. Exemptions are applicable to some of the leased premises, such as office hotels, and to all laptops, printers and copying machines, among others. These lease payments are recognised as an expense in the income statement on a straight-line basis.

Other lease agreements are recognised as right-of-use assets and lease liabilities in the balance sheet. These agreements include long-term lease agreements of facilities and company cars. Right-of-use assets are included in tangible assets and the related lease liabilities are included in non-current and current interest-bearing financial liabilities.

CapMan Group does not act as a lessor.

Provisions

Provisions are recognised in the balance sheet when the Group has a current obligation (legal or constructive) as a result of a past event, and it is probable that an outflow will be required to settle the obligation and a reliable estimate of the outflow can be made.

The Group's provisions are evaluated on the closing date and are adjusted to match the best estimate of their size on the day in question. Changes are booked in the same entry in the income statement as the original provision.

Employee benefits

Pension obligations

The defined contribution pension plan is a pension plan in accordance with the local regulations and practices of its business domiciles. Payments made to these plans are charged to the income statement in the financial period to which they relate. Pension cover has been arranged through insurance policies provided by external pension institutions.

Share-based payments

The fair value of the share-based long-term incentive plan is measured at the grant date based on the starting share price of the plan, its assumed development during the vesting period, forfeiture rate and estimated dividends to be paid during the vesting period. The fair value is expensed on a straight-line basis over the vesting period. The accumulated amount expensed is adjusted, should the forfeiture rate change or should shares allocated to the plan be sold during the vesting period.

The fair value of stock options is assessed on the date they are granted and are expensed in equal instalments in the income statement over the vesting period of the rights concerned. An evaluation of how many options will generate an entitlement to shares is made at the end of every reporting period. Fair value is determined using the Black-Scholes pricing model. The terms of the stock option programs are presented in Note 31. Share-based payments.

Revenue recognition

Revenue from contracts with customers is recognised by first allocating the transaction price to performance obligations, and when the performance obligation is satisfied by transferring the control of the underlying service to the customer, the revenue related to this performance obligation is recognised. Performance obligation can be satisfied either at a point in time or over time.

Management fees and service fees in the Management Company Business

As a fund manager, CapMan receives management fees during a fund's entire period of operations. Management fee is a variable consideration and is typically based on the fund's original size during its investment period, which is usually five years. Thereafter the fee is typically based on the acquisition cost of the fund's remaining portfolio. Annual management fees are usually 0.5–2.0% of a fund's total commitments, depending whether the fund is a real estate fund, a mezzanine fund, or an equity fund. In the case of real estate funds, management fees are also paid on committed debt capital. The average management fee percentage paid by CapMan-managed funds is approx. 1%.

Management fees paid by the funds are recognised as income over time, because the fund management service is the only performance obligation in the contract and it is satisfied over time.

Management company business also includes wealth management services to institutional clients, foundations, family offices and wealthy private clients. Fees from these services are recognised over time, when the service is provided and the control is transferred to the customer, except for success and transaction fees, which are recognised as income at a point in time, because the underlying performance obligation is satisfied and the control of the related service is transferred to the customer at a point in time.

Fees in the Service Business

CapMan's Service Business does not any more include continuing active businesses. Procurement services provided by CapMan Procurement services (CaPS) were sold in 2024 and classified as discontinued operations. Until February 1, 2023, Service business also included JAY Solutions, which offered reporting and back office services to investors. Fee from these services are primarily recognised over time.

Some of the contracts with customers related to the fundraising services earlier included in the Service Business includes a significant financing component. When determining the transaction price in these cases, the promised amount of consideration is adjusted for the effects of the time value of money and customer's credit characteristics.

Carried interest income

Carried interest 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 practice, carried interest means a share of a fund's cash flow received by the fund manager after the fund has transferred to carry.

The recipients of carried interest in the private equity industry are typically the investment professionals responsible for a fund's investment activities. In CapMan's case, carried interest is split between CapMan Plc and funds' investment teams.

CapMan applies a principle where funds transfer to carry and carried interest income are based on realised cash flows, not on a calculated and as yet unrealised return. As the level of carried interest income varies, depending on the timing of exits and the stage at which funds are in their life cycle, predicting future levels of carried interest is difficult.

To transfer to carry, a fund must return its paid-in capital to investors and pay a preferential annual return on this. The preferential annual return is known as a hurdle rate, which is typically set between 7–10% IRR p.a. When a fund has transferred to carry, the remainder of its cash flows is distributed between investors and the fund manager. Investors typically receive 80% of the cash flows and the fund manager 20%. When a fund is generating carried interest, the fund manager receives carried interest income from all of the fund's cash flows, even if an exit is made at below the original acquisition cost.

Revenue from carried interest is recognised when a fund has transferred to carry and to the extent carried interest is based on realised cash flows and management has estimated it being highly probable that there is no risk of repayment of carried interest back to the fund. Carried interest is recognised when CapMan is entitled to it by the reporting date, a confirmation on the amount has been received and CapMan is relatively close to receiving it in cash.

Potential repayment risk of carried interest to the funds (clawback)

Potential repayment risk to the funds (clawback) is considered when assessing whether revenue recognition criteria have been fulfilled. Clawback risk relates to a situation when, in conjunction with the liquidation of a fund, it is recognised that the General Partner has received more carried interest than agreed in the fund agreement. These situations can occur, for example, if there are recallable distributions or if representations and warranties have been given by the vendor in the sale and purchase agreement when the fund is towards the end of its lifecycle.

Potential repayment risk to the funds (clawback) is estimated by the management at each reporting date. The management judgment includes significant estimates relating to investment exit timing, exit probability and realisable fair value. The clawback risk is measured by using the expected value method, i.e. by calculating a probability weighted average of estimated alternative investment exit outcomes. The clawback is an adjustment to the related revenue recognised and is included in the current accrued liabilities in the consolidated balance sheet.

Income taxes

Tax expenses in the consolidated income statement comprise taxes on taxable income and changes in deferred taxes for the financial period. Taxes are booked in the income statement unless they relate to other areas of comprehensive income or directly to items booked as equity. In these cases, taxes are booked to either other comprehensive income or directly to equity. Taxes on taxable income for the financial period are calculated on the basis of the tax rate in force for the country in question. Taxes are adjusted on the basis of deferred income tax assets and liabilities from previous financial periods, if applicable. The Group's taxes have been recognised during the financial year using the average expected tax rate.

Deferred taxes are calculated on temporary differences between the carrying amount and the tax base. Deferred taxes have only been recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. The largest temporary differences arise from the valuation of investments at fair value. Deferred taxes are not recognised for non-tax deductible amortisation of goodwill. Deferred taxes have been measured at the statutory tax rates enacted by the balance sheet date and that are expected to apply when the related deferred tax is realised.

Items affecting comparability and alternative performance measures

CapMan uses alternative performance measures, such as adjusted operating profit (or 'comparable operating profit', having the same meaning), to denote the financial performance of its business and to improve the comparability between different periods. 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. Such alternative performance measures are, for example, adjusted operating profit, adjusted profit for the period, and adjusted earnings per share. In addition, CapMan discloses alternative performance measures that have been derived from the beforementioned adjusted 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 adjusted 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.

Items affecting comparability and alternative key figures are presented under the Segment information in the Note 2.

Use of estimates

The preparation of the financial statements in conformity with IFRS standards requires Group management to make estimates and assumptions in applying CapMan's accounting principles. These estimates and assumptions have an impact on the reported amounts of assets and liabilities and disclosure of contingent liabilities in the balance sheet of the financial statements and on the reported amounts of income and expenses during the reporting period. Estimates have a substantial impact on the Group's operating result. Estimates and assumptions have been used in assessing the impairment of goodwill, the fair value of fund investments, the impairment testing of intangible and tangible assets, in determining useful economic lives and expected credit losses, and in reporting deferred taxes, among others.

Valuation of fund investments

The determination of the fair value of fund investments using the International Private Equity and Venture Capital Valuation Guidelines (IPEVG) takes into account a range of factors, 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. These valuation methodologies involve a significant degree of management judgment. Because there is significant uncertainty in the valuation of, or in the stability of, the value of illiquid investments, the fair values of such investments as reflected in a fund's net asset value do not necessarily reflect the prices that would actually be obtained when such investments are realised.

Valuation of fund investments is described in more detail in the Note 33.

Valuation of other investments

The fair value of growth equity investments is determined quarterly by using valuation methods according to IPEVG and IFRS 13. The valuations are based on forecasted cash flows or peer group multiples. In estimating fair value of an investment, a method that is the most appropriate in light of the facts, nature and circumstances of the investment is applied. External valuations are made at least once a year to verify the fair values of growth equity investments.

Goodwill impairment test

Goodwill impairment test is performed annually. The most significant assumptions related to the recoverable amount are turnover growth, operating margin, discount rate and terminal growth rate. Turnover growth and operating margin estimates are based on the current cost structure and turnover generated by the current customer base. Turnover is expected to grow to the extent that can be reasonably supported by the current personnel and other resources. This means such additional turnover and costs included in the business plan that are related to future expansion – and expected to be mainly visible as new customers and increased headcount – have been removed from the cash flow forecasts when preparing the goodwill impairment test.

Goodwill impairment test is described in more detail in the Note 16.

2. Segment information

CapMan has three operating segments: the Management company business, Service business and Investments business. Segment information only includes continuing operations.

In the **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 and infrastructure assets. CapMan raises capital for the funds from Nordic and international investors. CapMan Wealth 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 no more has continuing active businesses. Previously included procurement services (CaPS) have been classified as a discontinued operation and therefore removed from the segment information for the reporting and comparison periods. The remaining part of the Service business contains the discounting impact of long-term trade receivables stemming from the earlier advisory services that were offered to private equity investors. 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.

CapMan

2024 1,000 EUR	Management company business	Service business	Investment business	Other	Total
Continuing operations:					
Fee income	52,443	266		593	53,303
Carried interest	4,318				4,318
Turnover	**56,761**	**266**		**593**	**57,621**
Turnover, internal					
Materials and services		0		0	0
Other operating income	5			1	6
Personnel expenses, of which	–24,474	0	–584	–8,272	–33,330
Salaries and bonuses	–24,474	0	–584	–7,660	–32,718
Share-based payment				–612	–612
Depreciation, amortisation and impairment	–2,096	0	–12	–336	–2,444
Other operating expenses	–7,696	0	–286	–4,999	–12,981
Internal service fees	–5,304			5,304	
Fair value changes of investments			7,789		7,789
Operating profit	**17,196**	**266**	**6,907**	**–7,708**	**16,660**
Items impacting comparability:					
Purchase price allocation amortisations	1,132				1,132
Reorganisation costs	10			147	157
Acquisition related expenses				1,088	1,088
Items impacting comparability, total	1,141			1,235	2,377
Comparable operating profit	**18,337**	**266**	**6,907**	**–6,473**	**19,037**
Financial items					–4,324
Income taxes					–2,952
Result for the year					**9,385**

2024 1,000 EUR	Management company business	Service business	Investment business	Other	Total
Items impacting comparability:					
Purchase price allocation amortisations					905
Reorganisation costs					126
Acquisition related expenses					1,083
Items impacting comparability, total					2,114
Comparable result for the year					**11,498**
Earnings per share, cents					**2.8**
Items impacting comparability, cents					1.2
Comparable earnings per share, cents					**4.0**
Earnings per share, diluted, cents					**2.8**
Items impacting comparability, cents					1.2
Comparable earnings per share, diluted, cents					**4.0**
Fee profit:					
Comparable operating profit	18,337	266	6,907	–6,473	19,037
Less:					
Carried interest	–4,318				–4,318
Fair value changes of investments			–7,789		–7,789
Fee profit	**14,019**	**266**	**–882**	**–6,473**	**6,930**
Geographical distribution of turnover:					
Finland					36,799
Other countries					20,821
Total					**57,621**

2023 restated 1,000 EUR	Management company business	Service business	Investment business	Other	Total
Continuing operations:					
Fee income	45,108	547		524	46,179
Carried interest	3,126				3,126
Turnover	**48,234**	**547**		**524**	**49,305**
Turnover, internal	3	44		–46	
Materials and services		0			0
Other operating income		57		19	76
Personnel expenses, of which	–23,548	–147	–346	–8,129	–32,169
Salaries and bonuses	–23,548	–147	–346	–7,160	–31,199
Share-based payment	0			–970	–970
Depreciation, amortisation and impairment	–1,048	–29	–14	–302	–1,393
Other operating expenses	–6,648	–174	–139	–3,938	–10,899
Internal service fees	–4,781	–3		4,783	0
Fair value changes of investments			–6,115	0	–6,115
Operating profit (loss)	**12,212**	**295**	**–6,614**	**–7,089**	**–1,196**
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**	**295**	**–6,614**	**–6,512**	**847**
Financial items					–696
Income taxes					607
Result for the year					**–1,285**

2023 restated 1,000 EUR	Management company business	Service business	Investment business	Other	Total
Items impacting comparability:					
Reorganisation costs					1179
Acquisition related expenses					566
Items impacting comparability, total					1,744
Comparable result for the year					**460**
Earnings per share, cents					**–1.9**
Items impacting comparability, cents					1.1
Comparable earnings per share, cents					**–0.8**
Earnings per share, diluted, cents					**–1.9**
Items impacting comparability, cents					1.1
Comparable earnings per share, diluted, cents					**–0.8**
Fee profit:					
Comparable operating profit (loss)	13,678	295	–6,614	–6,512	847
Less:					
Carried interest	–3,126				–3,126
Fair value changes of investments			6,115	0	6,115
Fee profit (loss)	**10,552**	**295**	**–499**	**–6,512**	**3,836**
Geographical distribution of turnover:					
Finland					30,868
Other countries					18,437
Total					**49,305**

3. Turnover

Revenue from contracts with customers include management fees, service fees and carried interest.

Management company business revenue is primarily related to long-term contracts. Management fees are typically recorded over time, whereas service fees include both transaction fees recorded at a point in time and other service fees, such as fees from wealth and asset management services, recorded over time. Carried interest is recognised at a point in time. Revenue from the Service business is based on long-term contracts and includes solely fees recognised over time. Segment information disclosed in Note 2 provides more information on the businesses included in each reportable segment.

The below table disaggregates the revenue into management fees, fees from services and carried interest, as well as timing of revenue recognition by reportable segment.

2024 **1,000 EUR**	**Management company business**	**Service business**	**Investment business**	**Other**	**Total**
Management fees	45,892				45,892
Service fees	6,551	266		593	7,411
Carried interest	4,318				4,318
Revenue from customer contracts, external	**56,761**	**266**		**593**	**57,621**
Timing of revenue recognition:					
Services transferred over time	52,127	266		593	**52,987**
Services transferred at a point in time	4,634				**4,634**
Revenue from customer contracts, external	56,761	266		593	**57,621**

2023 restated **1,000 EUR**	**Management company business**	**Service business**	**Investment business**	**Other**	**Total**
Management fees	39,034				39,034
Service fees	6,074	547		524	7,145
Carried interest	3,126				3,126
Revenue from customer contracts, external	48,234	547		524	49,305
Timing of revenue recognition:					
Services transferred over time	44,445	547		524	45,516
Services transferred at a point in time	3,788				3,788
Revenue from customer contracts, external	48,234	547		524	49,305

4. Other operating income

	2024	**2023 restated**
Other items	6	76
Total	6	76

5. Employee benefit expenses

1,000 EUR	2024	2023 restated
Salaries and wages	27,979	26,462
Pension expenses – defined contribution plans	3,249	3,717
Share-based payments	612	970
Other personnel expenses	1,489	1,021
Total	33,330	32,169

Remuneration of the management is presented in Note 32. Related party disclosures.

Cost for the share-based payments is based on the fair value of the instrument. The counter-entry to the expenses recognised in the income statement is in retained earnings, and thus has no effect on total equity. More information on the share-based payments is disclosed in Note 31.

Average number of people employed	2024	2023
By country		
Finland	149	133
Sweden	27	28
Denmark	12	10
Norway	2	2
Luxembourg	3	3
United Kingdom	7	7
In total	200	183
By segment		
Management company business	137	119
Service business	10	13
Investment business and other	54	51
In total	200	183

6. Depreciation

1,000 EUR	2024	2023 restated
Depreciation by asset type		
Intangible assets		
Other intangible assets	1158	86
Total	1,158	86
Tangible assets		
Machinery and equipment	76	87
Right-of-use assets, buildings (IFRS 16)	1,211	1,209
Right-of-use assets, machinery and equipment (IFRS 16)	0	11
Total	1,287	1,307
Total depreciation	2,444	1,393
Impairment by asset type		
Goodwill	0	0
Total impairments	0	0

7. Other operating expenses

1,000 EUR	2024	2023 restated
Included in other operating expenses:		
Other personnel expenses	1,436	1,283
Office expenses	684	611
Travelling and entertainment	1,055	1,263
External services	6,784	5,894
Other operating expenses	3,024	1,848
Total	12,981	10,899
Short-term lease expense (IFRS 16)	145	96
Expense for leases of low-value assets (IFRS 16)	121	173

Audit fees

Ernst & Young chain of companies: 1,000 EUR	2024	2023
Audit fees	437	371
Tax advisory services	19	57
Other fees and services	92	33
Total	548	461

Non-audit services performed by Ernst & Young in 2024 were 111 thousand euros (2023: 90 thousand euros in total) and included 19 (57) thousand euros of tax advisory services and 19 (57) thousand euros of other fees and services in total.
In 2024 audit fees included 27 thousand euros (2023: 28) fees related to discontinuing operations

8. Adjustments to cash flow statement and total cash outflow for leases

1,000 EUR	2024	2023 restated
Personnel expenses	612	970
Depreciation, amortisation and write-downs	2,535	1,491
Fair value gains/losses of investments	–7,789	6,115
Gain on sale of subsidiaries	–64,025	0
Finance income and costs	4,330	687
Costs related to acquisitions and disposals	5,672	–71
Taxes	4,035	618
Other adjustments	35	–144
Total	–54,595	9,666
Total cash outflow for leases (IFRS 16)	–1,386	–1,333

9. Fair value gains/losses of investments

1,000 EUR	2024	2023 restated
Investments at fair value through profit and loss		
Investments in funds	7,789	–6,115
Total	7,789	–6,115

10. Finance income and costs

1,000 EUR	2024	2023 restated
Finance income		
Interest income from loan receivables	1,582	1,036
Exchange gains	161	17
Change in fair value of financial liabilities	0	3,122
Other financing income	187	
Total	1,930	4,174
Finance costs		
Interest expenses for loans	–5,213	–3,809
Change of expected credit losses	–2	–68
Other interest and finance expenses	–548	–571
Interest expense of lease liabilities (IFRS 16)	–118	–168
Exchange losses	–179	–254
Total	–6,253	–4,870

11. Income taxes

1,000 EUR	2024	2023 restated
Current income tax	3,280	1,840
Taxes for previous years	–25	84
Deferred taxes		
Temporary differences	–303	–2,531
Total	2,952	–607

Income tax reconcilliation

1,000 EUR	2024	2023
Profit before taxes	12,336	–1,892
Tax calculated at the domestic corporation tax rate of 20%	2,467	–378
Effect of different tax rates outside Finland	80	90
Tax exempt income	–1,337	–1,217
Performance share plan	5	–230
Ohter non-deductible expenses	577	158
Unrecognized tax assets on tax losses and use of previously unrecognised tax losses	1,082	931
Taxes for previous years	–24	83
Other differences	102	–44
Income taxes in the Group Income Statement	2,952	–607

12. Earnings per share

Undiluted earnings per share is calculated by dividing the distributable retained profit for the financial year by the average share issue adjusted number of shares, excluding shares that have been purchased by the Company and are presented as the Company's own shares. Undiluted earnings per share from continuing operations is calculated by dividing the distributable retained profit for the financial year from continuing operations by the average share issue adjusted number of shares, excluding shares that have been purchased by the Company and are presented as the Company's own shares.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

	2024	2023 restated
Continuing and discontinued operations in total:		
Result for the financial year, (1,000 EUR)	73,466	3,392
Result attributable to the non-controlling interest, (1,000 EUR)	–4,893	–2,047
Result attributable to the equity holders of the Company, (1,000 EUR)	68,573	1,346
Continuing operations:		
Result for the financial year from continuing operations, (1,000 EUR)	9,385	–1,285
Result attributable to the non-controlling interest from continuing operations, (1,000 EUR)	–4,579	–1,707
Result attributable to the equity holders of the Company from continuing operations, (1,000 EUR)	4,806	–2,992
Weighted average number of shares ('000)	173,807	158,574
Treasury shares ('000)	–26	–26
Weighted average number of shares ('000)	173,781	158,548
Effect of share-based incentive plans ('000)	599	1,184
Weighted average number of shares adjusted for the effect of dilution ('000)	174,380	159,731
Earnings per share attributable to the equity holders of the Company:		
Earnings per share (undiluted), cents	39.5	0.8
Earnings per share (diluted), cents	39.3	0.8
Earnings per share from continuing operations attributable to the equity holders of the Company:		
Earnings per share from continuing operations (undiluted), cents	2.8	–1.9
Earnings per share from continuing operations (diluted), cents	2.8	–1.9

13. Discontinued operations

On October 4, 2024, CapMan Plc signed an agreement with Proxer Bidco Oy to sell its ownership (92.7%) in subsidiary CapMan Procurement Services (CaPS) Ltd ("CaPS") together with subsidiary's non-controlling interest (7.3%). The transaction was closed on October 31, 2024. Debt free purchase price was EUR 70 million, of which CapMan's share is EUR 64.9 million, and in addition, CapMan is entitled to a maximum of EUR 4.6 million earn-out consideration, subject to CaPS reaching certain operating targets during 2025.

CapMan has classified CaPS business as a discontinued operation in the income statement and restated the comparison periods' income statement and segment information accordingly. Advisory expenses and success bonuses relating to the disposal of CaPS have been included in the net gain on disposal of the discontinued operations. CaPS comprised the majority of CapMan's reporting segment Service Business, and after disposal there are no actively managed operations left in the Service Business. The remaining items in the Service Business turnover relate to income impact from discounted long-term trade receivables stemming from the former private equity advisory services.

Below table summarises the income statement by line item from discontinued operations for the financial and comparison year:

1,000 EUR	2024	2023
Turnover, external	9,533	10,059
Other operating income	3	3
Operating expenses	–4,388	–4,169
Operating profit	**5,148**	**5,893**
Financial income and expenses	–7	9
Gain on sale from discontinued operations*	60,025	
Profit before taxes	**65,166**	**5,902**
Income taxes		
related to ordinary business	–1,083	–1,225
related to disposal	0	
Profit after taxes	**64,083**	**4,677**

*less advisory and success fees

Below table sets forth the share of cash flows attributable to discontinued operations:

1,000 EUR	2024	2023
Cash flow from operating activities	4,131	5,028
Cash flow from investing activities	59,039	0
Cash flow from financing activities	–628	–295

14. Acquisitions

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 cash consideration of EUR 3.0 million.

Fair value of the issued shares amounted to EUR 34.4 million on the acquisition date, based on the closing price of EUR 1.948 per share, and was recognised in the share capital. Cash consideration was adjusted in Q3 2024 by EUR –0.2 million based on the final closing accounts. In addition, CapMan has committed to paying an additional earn-out consideration of a maximum EUR 5 million 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 goodwill arising from the acquisition is EUR 22.2 million 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 EUR 4.4 million of turnover and EUR 1.1 million of net profit from Dasos Capital as of March 1, 2024. Had Dasos Capital been consolidated from January 1, 2024, consolidated income statement from continuing operations would show combined turnover of EUR 58.4 million and combined net profit of EUR 9.6 million.

The expenses arising from the acquisition, EUR 1.7 million, 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, EUR 1.1 million has been recorded in the current period and EUR 0.6 million in the previous year.

The purchase price allocation is completed. The following table summarises the consideration, the fair value of identifiable assets acquired and liabilities assumed at the acquisition date, and the arising goodwill.

1,000 EUR	Fair value
Consideration	
Share consideration (17,672,761 x EUR 1.948)	34,427
Cash consideration	3,010
Total consideration	37,436
ASSETS	
Non-current assets	
Customer-related intangibles	13,278
Marketing-related intangibles	260
Machinery and equipment	3
Fund investments at fair value through profit and loss	3,301
	16,841
Current assets	
Receivables and accruals	829
Cash and cash equivalents	10,532
	11,361
Total assets	28,202
LIABILITIES	
Non-current liabilities	
Deferred tax liabilities	3,008
	3,008
Current liabilities	
Trade payables and accruals	2,170
Current tax liabilities	7,779
	9,949
Total liabilities	12,957

1,000 EUR	Käypä arvo
Non-controlling interest ("NCI")*	58
Net assets (excl. goodwill)	15,187
Total consideration	37,436
Goodwill	22,249

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

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

1,000 EUR	
Cash consideration	–3,010
Transaction costs	–1,654
Net cash acquired with the subsidiary	10,532
Acquisition of subsidiaries, net of cash	5,869

15. Tangible assets

1,000 EUR	2024	2023
Machinery and equipment		
Acquisition cost at 1 January	2,521	2,498
Acquisitions (see Note 14)	3	
Additions	11	22
Translation difference	–3	1
Acquisition cost at 31 December	2,532	2,521
Accumulated depreciation at 1 January	–2,334	–2,246
Depreciation for the financial year	–76	–87
Translation difference	2	–1
Accumulated depreciation at 31 December	–2,408	–2,334
Book value on 31 December	124	187
Right-of-use assets		
Machinery and equipment (IFRS 16)		
Additions	0	0
Depreciations, continuing operations	0	–11
Book value on 31 December	0	0
Leased premises (IFRS 16)		
Additions	151	1,944
Depreciations, continuing operations	–1,211	–1,209
Depreciations, discontinuing operations	–87	–88
Book value on 31 December	2,785	3,932
Other tangible assets		
Acquisition cost at 1 January	23	23
Book value on 31 December	23	23
Tangible assets total	2,931	4,142

16. Goodwill

1,000 EUR	2024	2023
Acquisition cost at 1 January	20,581	20,581
Acquisitions (see Note 14)	22,249	0
Acquisition cost at 31 December	42,830	20,581
Accumulated impairment at 1 January	–12,695	–12,695
Accumulated impairment at 31 December	–12,695	–12,695
Book value on 31 December	30,135	7,886

Impairment test

Goodwill is tested for impairment at least annually and has been allocated to the cash-generating units as follows:

1,000 EUR	2024	2023
CapMan Wealth	7,412	7,412
Natural Capital	22,249	
Other	474	474
Total	**30,135**	**7,886**

CapMan Wealth

Recoverable amount of CapMan Wealth (previously CapMan Wealth Services) is based on value-in-use using five-year discounted cash flow projections based on a business plan approved by the management. Future cash flows arising from additional turnover generated by increased personnel, and thus extending the operations and enhancing the performance, have been excluded from the cash flow projections applied in the impairment test. Cash flows for the period extending over the planning period are calculated using the terminal value method. Key assumptions applied in the impairment test are set forth in the table below:

	2024	2023
Pre-tax discount rate	19.0%	16.8%
Average turnover growth	14.3%	18.0%
Average EBIT margin	21.7%	35.2%
Terminal growth rate	2.0%	1.0%

Natural Capital

Dasos Capital, which was acquired during the financial year (see Note 14), establishes a new cash-generating unit Natural Capital, onto which goodwill of EUR 22.2 million has been allocated. Recoverable amount of Natural Capital is based on value-in-use using five-year discounted cash flow projections based on a business plan approved by the management. Cash flows for the period extending over the planning period are calculated using the terminal value method. Key assumptions applied in the impairment test are set forth in the table below:

	2024	2023
Pre-tax discount rate	15.6%	–
Average turnover growth	13.3%	–
Average EBIT margin	52.0%	–
Terminal growth rate	2.0%	–

Discount rate takes into account listed domestic and foreign asset and wealth managers as a benchmark group. Cost of equity includes risk premiums for Finland and company size. As a risk-free rate, a reference rate of Germany 10-year government bonds has been applied. Based on the impairment test, goodwill allocated to neither cash-generating unit was impaired, and recoverable amounts of cash-generating units CapMan Wealth and Natural Capital exceed their carrying amounts by approximately EUR 2.5 million and EUR 1.5 million, respectively.

Of key assumptions applied in CapMan Wealth's impairment test, recoverable amount is most sensitive to changes in EBIT margin and turnover growth during the explicit forecasting period (5 years). Based on the sensitivity analysis, if average EBIT margin would be 7%-points lower, or alternatively, if turnover growth during the explicit forecasting period would be 10%-points lower per annum, recoverable amount would equal the carrying amount of the respective cash-generating unit. No reasonably possible change in any of the other key assumptions would lead to impairment.

Of key assumptions applied in Natural Capital's impairment test, recoverable amount is most sensitive to changes in discount rate, EBIT margin and terminal growth rate. Based on the sensitivity analysis, if discount rate would be 1.0%-points higher, average EBIT margin 2.3%-points lower, or alternatively, if terminal growth rate would be 0.7%-points lower, recoverable amount would equal the carrying amount of the respective cash-generating unit. No reasonably possible change in any of the other key assumptions would lead to impairment.

17. Other intangible assets

1,000 EUR	2024	2023
Acquisition cost at 1 January	6,616	6,616
Acquisitions (see Note 14)	13,538	0
Additions	33	16
Transfers	0	0
Transfer to assets held for sale	0	–16
Acquisition cost at 31 December	20,187	6,616
Accumulated depreciation at 1 January	–6,605	–6,516
Depreciation for the financial year	–1,161	–96
Transfer to assets held for sale	0	7
Disposals	–32	0
Accumulated depreciation at 31 December	–7,798	–6,605
Book value on 31 December	12,388	10

Other intangible assets include customer- and marketing-related intangible assets received in conjunction with the acquisition of Dasos Capital (see Note 14). The useful life of customer- and marketing-related intangible assets is 10 and 5 years, respectively. They are thus amortised over 10 and 5 years, respectively.

18. Investments at fair value through profit or loss

Investments in funds

1,000 EUR	2024	2023
Investments in funds at 1 January	158,907	169,063
Additions	19,017	18,097
Acquisitions (see Note 14)	3,301	0
Distributions	–10,054	–17,615
Disposals	–15,623	–3,975
Fair value gains/losses of investments	7,746	–5,926
Transfers	3,927	–737
Investments in funds at 31 December	167,221	158,907
Investments in funds by investment area at the end of period*		
Buyout	31,467	28,314
Credit	5,917	6,048
Russia	0	589
Real Estate	39,262	40,449
Growth Equity	15,023	15,170
Infra	17,684	10,059
Special Situations	3,789	3,105
Natural Capital	2,917	
Fund of funds	8,286	16,694
External Venture Capital funds	38,626	38,085
Other investment areas	4,250	394
Total	167,221	158,907

* Investments in funds include the subsidiary, CapMan Fund Investments SICAV-SIF, with a fair value of EUR 111.3 million. The fair value included EUR 4.0 million of cash.

Other financial assets	2024	2023
Other investments at 1 January	508	434
Additions	42	46
Fair value gains/losses of investments	21	28
Other investments at 31 December	571	508

CapMan

19. Receivables – Non-current

1,000 EUR	2024	2023
Trade receivables	3,426	4,134
Loan receivables	3,541	2,307
Other receivables	84	84
Accrued income	0	0
Total	7,052	6,525

Non-current trade receivables are related to previously offered fundraising and advisory services. Because of the significant financing component related to these receivables, the promised amount of consideration has been adjusted for the effects of the time value of money and the credit characteristics of the customer. However, no contract assets are related to these customer contracts, as the Group's right to the amount of consideration is unconditional and subject only to the passage of time.

Loan receivables primarily include loans granted to investment teams for co-investments.

Allowance for expected credit losses of loan receivables is presented below separately for portion measured at an amount equal to 12-month and lifetime expected credit losses.

As at December 31, 2024 and 2023, loss allowance measured at an amount equal to lifetime expected credit losses is fully related to credit-impaired loan receivables from entities controlled by the former or current investment teams, and granted for making co-investments in funds managed by CapMan. The most significant credit-impaired loan receivables are from entities controlled by the former CapMan Russia investment team. CapMan has determined these loan receivables being credit-impaired, because the underlying funds have filed for liquidation and it seems not probable that the loans and accrued interests would be repaid to CapMan in full. The other credit-impaired loan receivables are related to loans granted to making co-investments to such funds, whose carry potential is estimated to be low, and therefore, CapMan has determined it seems not probable that the borrowing entity would repay these loans and accrued interests in full.

1,000 EUR	2024	2023
Loan receivables, gross	5,190	3,909
Loss allowance, 12-month ECL*	–68	–22
Loss allowance, lifetime ECL*	–1,581	–1,581
Loan receivables, net	3,541	2,307

*ECL = expected credit losses
Other non-currrent receivables include primarily rental deposits.

20. Deferred tax assets and liabilities

Changes in deferred taxes during 2024:

1,000 EUR	31.12.2023	Charged to Income Statement	Translation difference	Charged in equity	31.12.2024
Deferred tax assets					
Accrued differences	1,896	–163	0	0	1,733
Total	1,896	–163	0	0	1,733
Deferred tax liabilities					
Accrued differences	148	–246	–1	2,708	2,609
Unrealised fair value changes	5,843	–215	0	300	5,928
Total	5,991	–461	–1	3,008	8,537

Changes in deferred taxes during 2023:

1,000 EUR	31.12.2022	Charged to Income Statement	Translation difference	Charged in equity	31.12.2023
Deferred tax assets					
Accrued differences	1,790	106	0	0	1,896
Total	1,790	106	0	0	1,896
Deferred tax liabilities					
Accrued differences	1,261	–1,113	0	0	148
Unrealised fair value changes	7,157	–1,314	0	0	5,843
Total	8,418	–2,427	0	0	5,991

21. Trade and other receivables

1,000 EUR	2024	2023
Trade receivables	9,621	8,875
Loan receivables	254	815
Accrued income	1,783	1,839
Other receivables	15,702	8,853
Total	27,360	20,382

Loss allowance for the expected credit losses of trade receivables, based on a provision matrix, is presented below.

	2024	2023
Trade receivables, gross	9,727	9,007
Loss allowance	–106	–132
Trade receivables, net	9,621	8,875

Expected credit losses of other receivables measured at amortised cost is insignificant, and other receivables at amortised cost do not contain credit-impaired items.

With regards to contracts with customers, the Group's right to the amount of consideration is unconditional. Therefore, they are presented as receivables and no separate contract asset is presented.

Loan receivables include mainly current loan receivables from related parties and other employees.

Accrued income includes mainly prepayments.

Other receivables mainly include unvoiced sale of services, costs to be re-invoiced, income tax receivables and receivables related to sold financial assets.

Trade and other receivables by currency at end of year

Trade and other receivables	Amount in foreign currency	Amount in euros	Proportion
EUR		26,770	78%
USD	4,799	4,619	13%
SEK	12,430	1,085	3%
GBP	69	83	0%
DKK	13,789	1,849	5%
NOK	72	6	0%

22. Financial assets at fair value through profit or loss

1,000 EUR	2024	2023
Derivate assets	0	116
Interest rate funds	3,790	159
Total	3,790	275
Fair value of derivative instruments		
Foreign exchange forwards	–77	116
Total	–77	116
Nominal value of derivative instruments		
Foreign exchange forwards	4,484	5,320
Total	4,484	5,320

Financial assets at fair value through profit or loss include derivative assets and short-term investments made for cash management purposes in interest rate funds. CapMan uses short-term derivative instruments to hedge against currency changes in foreign currency denominated trade receivables. CapMan does not apply hedge accounting to derivative instruments and derivatives are initially measured at costs and thereafter to fair value at the end of the reporting period. Fair values of derivatives are based on market values or values derived from market values at the end of the reporting period (fair value hierarchy level 2). Translation difference incurred to foreign currency denominated trade receivables is recognised to turnover and that fair value change of the derivative instrument that is effectively hedging the underlying trade receivable, is recorded to turnover and the remainder of the derivative's fair value change is recorded to financial expenses. In the comparison period, no derivative instruments were used.

CapMan

23. Cash and cash equivalents

1,000 EUR	2024	2023
Bank accounts	78,756	40,144
Money market funds	11,386	872
Total	90,142	41,017

Cash and cash equivalents include bank accounts and short-term investments made to money market funds for cash management purposes. At the end of the previous financial year, December 31, 2023, EUR 2.0 million of bank account balances was related to the launch of a new hotel real estate fund in 2019 and was not available for use by the group.

24. Share capital and shares

1,000	Number of B shares*	Total*
At 1 January 2023	**158,029**	**158,029**
Share-based incentive plan, directed share issue without payment	794	794
At 31 December 2023	**158,823**	**158,823**
Directed share issue related to business combination	17,673	17,673
Share-based incentive plan, directed share issue without payment	356	356
At 31 December 2024	**176,852**	**176,852**

*Excluding treasury shares of 26,299.

1,000 EUR	Share capital	Share premium account	Other reserves	Total
At 1 January 2023	**772**	**38,968**	**35,425**	**75,165**
Repayment of capital			–14,311	–14,311
At 31 December 2023	**772**	**38,968**	**21,114**	**60,854**
Directed share issue related to business combination	34,427			34,427
At 31 December 2024	**35,199**	**38,968**	**21,114**	**95,281**

Other reserves

During the financial year, part of the purchase price of the acquisition of Dasos Capital Oy was made by directed share issue, which increased the amount of shares and share capital. In addition, reward payment of the performance share plan 2022–25 resulted in a directed share issue of 356,062 new shares without payment. In the previous financial year, in conjunction with the final reward payment of the performance share plan 2022–23, a total of 794,419 shares were issued in a directed share issue without payment. Furthermore, in the previous financial year, repaid capital was deducted from the unrestricted equity fund.

Share-based incentive plans are presented in Note 31. Share-based payments.

Translation difference

The foreign currency translation reserve includes translation differences arising from currency conversion in the closing of the books for foreign units.

Dividends paid and proposal for profit distribution 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. The Board of Directors resolved on the additional dividend on September 18, 2024, and the additional dividend of EUR 0.04 per share, totalling EUR 7.1 million, was paid on September 27, 2024.

As at December 31, 2024, CapMan Plc's distributable funds amounted to approximately EUR 88.3 million. The Board of Directors' resolution proposal to the General Meeting is a combined proposal of a dividend distribution and an authorisation for the Board of Directors to decide on distribution of an additional dividend. The Board of Directors expects the overall dividend distribution to be EUR 0.14 per share for the financial period ended 31 December 2024. The Board of Directors proposes to the General Meeting that a dividend in the total amount of EUR 0.07 per share would be paid for the financial period that ended on 31 December 2024 based on the balance sheet adopted for 2024. The dividend would be paid to a shareholder who on the record date of the payment, 27 March 2025, is registered as a shareholder in the shareholders' register of the Company maintained by Euroclear Finland Oy. The payment date would be 3 April 2025. The Board of Directors further proposes to the General Meeting that the Board of Directors be authorised to decide on an additional dividend in the maximum amount of EUR 0.07 per share. The authorisation would be effective until the end of the next Annual General Meeting. The Board of Directors intends to resolve on the additional dividend in its meeting scheduled for 15 September 2025.

Redemption obligation clause

A shareholder whose share of the entire share capital or the voting rights of the Company reaches or exceeds 33.3% or 50% has, at the request of other shareholders, the obligation to redeem his or her shares and related securities in accordance with the Articles of Association of CapMan Plc.

Ownership and voting rights agreements

As at 31 December 2024 CapMan Plc had no knowledge of agreements or arrangements, related to the Company's ownership and voting rights, that were apt to have substantial impact on the share value of CapMan Plc.

25. Interest-bearing loans and borrowings -

1,000 EUR	2024	2023
Senior bonds	99,607	89,750
Lease liabilities (IFRS 16)	1,655	2,720
Total	101,262	92,470

During the financial year, CapMan issued unsecured sustainability-linked notes in the aggregate principal amount of EUR 60 million. The notes will mature on June 10, 2029 and carry a fixed annual interest of 6.5%. In conjunction with this, CapMan redemeed the EUR 50 million notes issued in 2020. CapMan also has unsecured sustainability-linked notes in the aggregate principal amount of EUR 40 million issued in April 2022, which will mature on April 13, 2027 and carry a fixed annual interest of 4.5% paid annually.

26. Other non-current liabilities

1,000 EUR	2024	2023
Other liabilities	547	484
Total	547	484

Other liabilities are non-interest bearing and are related to pension obligations, which are defined contribution plans by nature.

27. Trade and other payables – Current

1,000 EUR	2024	2023
Trade payables	1,284	2,101
Advance payments received	83	761
Accrued expenses	16,208	14,178
Acquisition related liabilities	0	3,842
Derivative liabilities	77	0
Other liabilities	1,725	3,274
Total	19,378	24,155

The maturity of trade payables is normal terms of trade and don't include overdue payments.

Advance payments received are liabilities based on customer contracts.

The most significant items in accrued expenses relate to accrued salaries and social benefit expenses.

Acquisition related liabilities consists of a symmetric put and call option arrangement made with the non-controlling interest of a subsidiary, which is measured at fair value through profit or loss. The change of fair value is recorded as finance income or expense. In the previous year, this financial liability was included in other non-current liabilities.

Trade and other liabilities by currency at end of year

Trade and other liabilities	Amount in foreign currency	Amount in euros	Proportion
EUR		15,622	81%
SEK	26,394	2,303	12%
GBP	457	551	3%
DKK	5,714	766	4%
NOK	1,597	135	1%

28. Interest-bearing loans and borrowings – Current

1,000 EUR	2024	2023
Lease liabilities (IFRS 16)	1,271	1,323
Liabilities to non-controlling interests	0	63
Total	1,271	1,386

29. Financial assets and liabilities

Financial assets

1,000 EUR	Note	Balance sheet value	Fair value
2024			
Investments at fair value through profit or loss			
Investments in funds	18	167,221	167,221
Other financial assets*	18	571	571
Loan receivables	19	3,795	3,795
Trade and other receivables	19, 21	30,616	30,616
Financial assets at fair value	22	3,790	3,790
Cash and bank	23	90,142	90,142
Total		296,135	296,135

*Other financial assets consists of financial assets that are specifically classified as investments at fair value through profit and loss

Financial assets

1,000 EUR			
2023			
Investments at fair value through profit or loss			
Investments in funds	18	158,907	158,907
Other financial assets*	18	508	508
Loan receivables	19	3,122	3,122
Trade and other receivables	19, 21	23,785	23,785
Financial assets at fair value	22	275	275
Cash and bank	23	41,017	41,017
Total		227,614	227,614

*Other financial assets consists of financial assets that are specifically classified as investments at fair value through profit and loss

Financial liabilities

1,000 EUR	Note	Balance sheet value	Fair value
2024			
Non-current liabilities	25	101,262	101,262
Non-current operative liabilities	26	547	547
Trade and other liabilities	27	19,378	19,378
Current liabilities	28	1,271	1,271
Total		122,458	122,458

Financial liabilities

1,000 EUR			
2023			
Non-current liabilities	25	92,470	92,470
Non-current operative liabilities	26	484	484
Trade and other liabilities	27	24,154	24,154
Current liabilities	28	1,386	1,386
Total		118,494	118,494

Net debt

Net debt	2024	2023
Cash and cash equivalents	90,142	41,017
Borrowings – repayable within one year	–1,271	–1,386
Borrowings – repayable after one year	–101,262	–92,470
Net debt	–12,391	–52,839
Cash and cash equivalents	90,142	41,017
Gross debt – variable interest rates	–2,926	–4,106
Gross debt – fixed interest rates	–99,607	–89,750
Net debt	–12,391	–52,839

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Changes in liabilities arising from financing activities

1,000 EUR	January 1, 2024	Cash flows	Other changes	December 31, 2024
2024				
Non-current loans and borrowings	89,750	9,566	291	99,607
Non-current lease liabilities	2,720	–1,216	151	1,655
Current loans and borrowings	63	0	–63	0
Current lease liabilities	1,323	–52	0	1,271
Total	93,856	8,299	379	102,533

1,000 EUR	January 1, 2023	Cash flows	Other changes	December 31, 2023
2023				
Non-current loans and borrowings	89,650	0	100	89,750
Non-current lease liabilities	2,204	–1,159	1,675	2,720
Current loans and borrowings	52	11		63
Current lease liabilities	1,060	–5	268	1,323
Total	92,966	–1,154	2,044	93,856

30. Commitments and contingent liabilities

Securities and other contingent liabilities

1,000 EUR	2024	2023
Contingencies for own commitment		
Business mortgage	60,000	60,000
Other contingent liabilities	1,132	1,239
Remaining commitments to funds		
by investment area		
Buyout	14,886	17,942
Credit	2,527	3,127
Russia	1,066	1,066
Real Estate	6,432	5,916
Other investment areas	1,489	1,489
Funds of funds	245	245
Growth Equity	10,569	19,243
Infra	8,230	10,151
Special Situations	3,462	4,507
Natural Capital	43	
CapMan Wealth Services funds	16,031	15,511
External private equity funds	265	3,703
External Veture Capital funds	1,583	2,290
Total	**66,829**	**85,190**

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31. Share-based payments

As at the balance sheet date, CapMan has one investment based long-term share-based incentive plan “Share plan 2022–25” in force. The program “Share plan 2020–23” ended and the rewards were paid during the previous year. Share-based incentive plans are used to commit key individuals and executives to the company and reinforce the alignment of interests of key individuals and executives and CapMan shareholders. In the investment based long-term share-based incentive plan the participants are committed to shareholder value creation by investing a significant amount into the CapMan Plc share.

The investment-based long-term incentive plan 2022–25 includes three performance periods. The performance period commenced on 1 April 2022 and ends on 31 March 2023, 2024 and 2025, respectively. 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 2024, 2025 and 2026. In 2024, rewards from performance period 1 April 2022 – 31 March 2023 were paid, which resulted in 356,062 shares granted and a cash component to cover withholding tax consequences. The value of these two totalled EUR 1.2 million.

The aim of the plan is to align remuneration with CapMan’s sustainability agenda, to retain the plan participants in the company’s service, and to offer them a competitive reward plan based on owning, earning and accumulating the company’s shares. The prerequisite for receiving reward on the basis of the plan is that a participant acquires company’s shares or allocates previously owned company’s shares up to the number determined by the Board of Directors. The performance-based reward from the plan is based on the company share’s Total Shareholder Return (TSR) and on a participant’s employment or service upon reward payment. The plan is equity-settled by nature and while the participants earn a certain gross amount of reward shares, it can be partially paid in cash to cover the withholding tax consequences. The Board shall resolve whether new Shares or existing Shares held by the Company are given as reward. The target group of the Plan consists of 22 persons, including the members of the Management Group.

The fair value of the investment-based incentive plans has been measured at the grant date and is expensed on a straight-line basis over the vesting period. The fair value has been calculated by applying a Monte-Carlo simulation, where the model inputs have included share price at the grant date, expected annualised volatility over the tenure of the program, risk-free interest rate, expected dividends and expected share rewards to be granted on different target share price levels. The model simulates share price development during the performance period and the resulting share rewards to be granted after reaching the share price levels defined in the conditions of the plan. In addition, lack of marketability due to the lock-up period as well as forfeiture rate have been incorporated into the measurement of the fair value as decreasing factors.

The total expense recognised for the period arising from share-based payment transactions amounted to EUR 0.6 million (EUR 1.0 million). There were no liabilities arising from share-based payment transactions. As at the balance sheet date, based on the closing price of CapMan’s share, it is estimated that for the Share plan 2022–25, the shares to be withheld and paid in cash to cover withholding tax liabilities will amount to EUR 0.3 million.

Key information on the investment-based incentive plans is presented in the below table.

Investment-based incentive plans	**Share plan 2022–2025**
Grant date	13.4.2022
Vesting period starts	13.4.2022
Vesting period ends	13.4.2024, 13.4.2025 and 13.4.2026
Grant date share price, EUR	2.420
Share price at the end of the period, EUR	1.714
Expected annualised volatility	26%
Assumed risk-free interest rate	1.0%
Present value of the expected dividends, EUR	0.63
Forfeiture rate assumption	0%
Increase in fair value of share premiums granted during the period	–0.2
Fair value of the plan, EUR million	2.8
Expense recorded during the financial year, EUR million	0.6
Cumulative expense recorded for the plan, EUR million	2.2
Future cash payment related to withholding taxes, EUR million	–0.3
Number of participants in the plan at the balance sheet date	21

Changes in the number of share rewards during the period	**Share plan 2022–2025**
Outstanding in the beginning of the period 1.1.2024	3,795,420
Granted	85,000
Forfeited	408,121
Exercised	642,298
Expired	0
Exercised at the end of the period 31.12.2024	737,230
Outstanding at the end of the period 31.12.2024	2,830,000

CapMan

32. Related party disclosures

Group companies		Group ownership of shares, %	Parent company ownership of shares, %
CapMan Plc, parent company	Finland		
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 (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%
RG Invest Oy	Finland	100%	100%
CapMan RE II GP Oy	Finland	100%	100%
CapMan Private Equity Advisors Limited	Cyprus	100%	100%
RG Growth (Guernsey) GP Ltd	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 (Guernsey) Buyout X GP Limited	Guernsey	100%	100%
RG Growth (Guernsey) II GP Ltd	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 Real Estate UK Limited	United Kingdom	100%	
Nest Capital 2015 GP Oy	Finland	100%	100%
Kokoelmakeskus GP Oy	Finland	100%	100%
CapMan Growth Equity Oy	Finland	100%	100%
CapMan Real Estate Manager S.A.	Luxembourg	100%	100%
CapMan Infra Management Oy	Finland	60%	60%
CapMan Infra Lux Management S.á.r.l.	Luxembourg	60%	

Group companies		Group ownership of shares, %	Parent company ownership of shares, %
CapMan Growth Equity 2017 GP 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 Buyout Management Oy	Finland	100%	100%
CapMan Hotels II Holding GP Oy	Finland	100%	100%
CapMan Wealth Oy	Finland	60%	60%
CapMan Growth Equity II GP Oy	Finland	100%	100%
CapMan Special Situations GP Oy	Finland	100%	100%
CapMan Special Situations Oy	Finland	65%	65%
CM III Feeder GP S.á.r.l.	Luxembourg	100%	100%
Maneq 2010 AB	Sweden	86%	86%
Maneq 2005 AB	Sweden	100%	100%
CapMan Residential Manager SA	Luxembourg	60%	60%
CMRF Feeder GP S.á.r.l.	Luxembourg	60%	
CMRF Advisors Oy	Finland	60%	60%
Nest Capital IV GP Oy	Finland	100%	100%
CMH II Feeder GP Sarl	Luxemburg	100%	100%
CapMan Nordic Infrastructure II Manager S.á.r.l.	Luxemburg	100%	100%
CMNPI GP II Sarl	Luxemburg	100%	100%
CapMan Growth Equity III GP Oy	Finland	100%	100%
CapMan Growth Management Oy	Finland	65%	65%
Dasos Capital Oy	Finland	100%	100%
Dasos Habitat Foundation Oy	Finland	100%	
Dasos Climate-Smart Real Estate Oy	Finland	100%	
Dasos Foraois Management Ltd.	Ireland	100%	
Dasos FS Management S.a.r.l.	Luxemburg	100%	
Dasos LT Management S.a.r.l.	Luxemburg	100%	

Group companies		Group ownership of shares, %	Parent company ownership of shares, %
Dasos S.A.	Luxemburg	93%	
Dasos II S.A.	Luxemburg	100%	
Profor Investments S.a.r.l.	Luxemburg	67%	
CapMan Nordic Real Estate IV Manager Sarl	Luxemburg	100%	100%

Group companies		Group ownership of shares, %
Foreign branches		
CapMan Real Estate Denmark, filial av CapMan AB, Sverige	Denmark	100%
CapMan Real Estate Oy, filial i Norge	Norway	100%
CapMan Buyout Management Oy, filial i Sverige	Sweden	100%
CapMan Infra Management Oy, filial i Sverige	Sweden	60%

Transactions with related parties

In the financial year, 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. Furthermore, CapMan sold a share of its interest in CWS Investment Partners Fund III to Noelia Invest AB. The purchase price was EUR 30 thousand and the transaction also included transferring a total of USD 300 thousand of investment commitments to the aforementioned fund from CapMan to Noelia Invest AB. 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	2024	2023
Non-current	817	242
Current	175	

Commitments to related parties

1,000 EUR	2024	2023
Loan commitments	73	98

Management remuneration

1,000 EUR	2024	2023
CEO Pia Kåll		
Salaries and other short-term employee benefits	440	351
Pension costs	78	62
Additional pension costs	42	35
Share-based payments	144	181
Total	704	630
CEO Joakim Frimodig		
Salaries and other short-term employee benefits		130
Pension costs		23
Additional pension costs		13
Share-based payments		–68
Total		98
Management group excl. CEO		
Salaries and other short-term employee benefits	2,945	2,886
Share-based payments	351	585
Total	3,295	3,472

Remuneration and fees of the Board of Directors

1,000 EUR	2024	2023
Joakim Frimodig as of March 15, 2023	279	291
Andreas Tallberg until March 15, 2023		16
Johan Bygge	45	44
Mammu Kaario	56	55
Catarina Fagerholm	46	45
Olli Liitola	44	43
Johan Hammarén	43	42
Yhteensä	513	537

Management remuneration includes members of the board, CEO and management group.

The CEO has a mutual notice period of six months and he will be entitled to a severance fee of 12 months' salary, if his employment is terminated by the company.

The CEO and some of the Management Group members are covered by additional defined contribution based pension insurance. The retirement age of the CEO is 63 years.

The Management Group members, incl. CEO, have allocated a total of 860,000 shares (780,000 shares in 2023) to the investment-based long-term incentive plan 2022–25. The Management Group and other employees have similar terms in the investment-based long-term incentive plans (see Note 31).

33. Financial risk management

The purpose of financial risk management is to ensure that the Group has adequate and effectively utilised financing as regards the nature and scope of the Group's business. The objective is to minimise the impact of negative market development on the Group with consideration for cost efficiency. The financial risk management has been centralised and the Group's CFO is responsible for financial risk management and control.

The management constantly monitors cash flow forecasts and the Group's liquidity position on behalf of all Group companies. In addition, the Group's principles for liquidity management include rolling 12-month loan covenant assessments. The loan covenants are related to equity ratio and net gearing. During the financial year all the loan covenants have been fullfilled.

The Group has a Risk and Valuation team, which monitors the performance and the price risk of the investment portfolio (financial assets measured 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 Committee annually.

a) Liquidity risk

Cash inflow from operating activities consists of predictable management fees and fees from the Service Business, as well as transaction-based fees and carried interest income, which are more difficult to predict. Cash outflow from operating activities consists of payment of fixed costs, interests and taxes, which are relatively well predictable in the short term. Liquidity management is also significantly impacted by the timing of the capital calls to the funds and proceeds from fund investments, which is difficult to predict. Therefore, the Group maintains a sufficient liquidity in order to fulfill its commitments, which are more difficult to predict. Cash from financing activities consist of proceeds from and repayment of borrowings, and payment of dividends and return of capital.

Management fees received from the funds and majority of fees from the Service Business are based on long-term agreements and are targeted to cover the operational expenses of the Group. Management fees and majority of fees from the Service Business are quite reliably predictable for the coming 12 months. However, part of of the fees from the Service Business are transaction-based and thus more difficult to forecast.

The timing and receipt of carried interest generated by the funds is uncertain and will contribute to the volatility of the results. Changes in investment and exit activity levels may have a significant impact on cash flows of the Group. A single investment or exit may change the cash flow situation completely and the exact timing of the cash flow is difficult to predict. Group companies managing a fund may in certain circumstances, pursuant to the terms of the fund agreement, have to return carried interest income they have received (so-called clawback). The obligation to return carried interest income applies typically when, according to the final distribution of funds, the carried interest income received by the fund management company exceeds the carried interest it is entitled to when the fund expires. CapMan has no clawback liabilities recorded at the balance sheet date.

CapMan has made commitments to the funds it manages. As at December 31, 2024, the undrawn commitments to the funds amounted to EUR 66.8 (85.2) million and the financing capacity available (cash available for use and third party financing facilities) amounted to EUR 114.2 (59.2) million. The cash available includes the cash of CapMan Fund Investments SICAV-SIF EUR 4.0 (0.1) million, which is reported in fund investments in the group balance sheet.

During the financial year, CapMan issued unsecured sustainability-linked notes in the aggregate principal amount of EUR 60 million. The notes will mature on June 10, 2029 and carry a fixed annual interest of 6.5% paid annually. In conjunction with this, in June and December 2024, CapMan redemeed the EUR 50 million notes issued in 2020. CapMan also has unsecured sustainability-linked notes in the aggregate principal amount of EUR 40 million issued in April 2022, which will mature on April 13, 2027 and carry a fixed annual interest of 4.5% paid annually. The sustainability targets of this loan were achieved already in 2023, which means its interest rate will remain unchanged till maturity. The sustainability targets of the loan maturing on June 10, 2029, will be reviewed on December 31, 2027, which may result in an increase of its interest rate by a maximum of 1.25 pp for the remainder of the term. Both loan agreements include covenants tied to equity ratio.

At the end of the financial year, CapMan has an unused long-term credit facility of EUR 20 million. CapMan has not used the credit facility during the financial year or the previous year. The long-term credit facility agreement includes a covenant related to net gearing.

Maturity analysis

31 December 2024, 1,000 EUR	Due within 3 months	Due between 3 and 12 months	Due between 1 and 3 years	Due between 3 and 5 years	Due later
Bonds			40,000	60,000	
Accounts payable	1,284				
Interests, bonds		5,700	10,103	5,610	
Company acquisitions liabilities	0				
Commitments to funds	326	17,132	1,209	7,452	40,709
Lease liabilities (IFRS 16)	299	836	1,790		

Maturity analysis

31 December 2024, 1,000 EUR	Due within 3 months	Due between 3 and 12 months	Due between 1 and 3 years	Due between 3 and 5 years	Due later
Bonds			50,000	40,000	
Accounts payable	2,101				
Interests, bonds		3,800	5,474	503	
Company acquisitions liabilities	3,842				
Commitments to funds	4,194	11,371	6,187	13,151	50,287
Lease liabilities (IFRS 16)	308	882	2,852		

b) Interest rate risk

At the end of the financial year, interest-bearing liabilities carry a fixed interest rate. Exposure to interest rate risk arises principally from the long-term credit facility of EUR 20 million with a floating interest rate. This facility was not used during the financial year or the previous year. The interest rate of the credit facility is the aggregate of the reference rate (Euribor) and the margin, which is dependent on the Group's net gearing and is in the range of 1.75% to 2.70%. Interest rate is also tied to reaching sustainability targets, and the outcome of reaching these targets may decrease or increase the margin by maximum of 0.025 pp.

The EUR 60 million bond issued in June 2024 has an annual coupon rate of 6.5% paid annually. The terms of the bond include sustainability-linked targets, and the outcome of reaching these will be reviewed on December 31, 2027. Failure to fulfill the agreed sustainability-linked targets could increase the interest rate by 1.25 pp, at maximum, for the remainder of the loan term. The sustainability-linked senior bond issued in April 2022 carry initially an annual coupon rate of 4.5% paid annually. As CapMan succeeded in fulfilling the sustainability-linked conditions, the interest rate will remain unchanged for the remainder of the loan term.

Loans according to interest rate 1,000 EUR	2024	2023
Floating rate	0	0
Fixed rate	99,607	89,750
Total	99,607	89,750

c) Credit risk

Group's credit risks relate to trade, loan and other receivables recognised at amortised cost. The maximum credit loss of these receivables is the carrying amount of the receivable in question. There are no collaterals relating to the receivables. CapMan has some credit-impaired co-investment loan receivables from entities controlled by the former or current investment teams. Co-investment loans are determined to be credit-impaired, if the expected distributions from the underlying fund would not enable full repayment of the loan to CapMan. Events triggering an evaluation to determine, if a loan receivable is credit-impaired, are typically decreased or lost carry potential or decreased fair value of the underlying fund's remaining investments or fund filing for liquidation. More information on the expected credit losses of receivables is presented in notes 19 and 21.

Group's loan commitments are related to co-investment loans granted to team entities, which they use in order to make co-investments to funds managed by the Group. Apart from credit-impaired loan receivables, credit risk of loan commitments is deemed low, when the repayment is subject to distributions received from the fund and the fund is capable of making distributions equaling or exceeding the needed cash for repaying the loans and accrued interests.

d) Currency risk

Changes in exchange rates, particularly between the US dollar and the euro, impact the company's performance, since a part of group's fund investments and non-current accounts receivables are in US dollar. Any strengthening/weakening of the dollar against the euro would improve/weaken the fair value gains or US dollar fund investments and revenue related to US dollar nominated account receivables.

CapMan has started to hedge its US dollar nominated account receivables against changes in exchange rates as of December 2022. The group does not, however, apply hedge accounting to the derivative instruments used for hedging purposes.

CapMan has subsidiaries outside of the Eurozone, and their equity is exposed to movements in foreign currency exchange rates. However, the Group does not hedge currency as the impact of exposure to currency movements on equity is relatively small.

As at December 31, 2024, 91% of the Group's financial assets were in euros, 7% in US dollars 1% in Swedish krona and 1% in other currencies. The following table presents the fair values of the foreign currency denominated financial assets.

Financial assets denominated in foreign currencies, in euros

1,000 EUR	SEK	USD	Other currencies	Total
2024	2,195	21,052	2,484	25,731
2023	2,925	25,158	2,271	30,354

e) Capital management

Group's aim is to have an efficient capital structure that allows the company to manage its ongoing obligations and that the business has the prerequisites for operating normally. The Return on equity (ROE) and the Equity ratio are the means for monitoring capital structure.

The long-term financial targets of the Group have been confirmed by the Board of Directors of CapMan Plc. The financial targets are based on growth, profitability and balance sheet. The combined growth objective for the Management Company and Service businesses is more than 15 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 50 per cent.

The distribution policy was updated during the financial year by the Board of Directors of CapMan Plc. CapMan's objective is to distribute at least 70 per cent 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. Previously, CapMan's policy was to pay an annually increasing dividend to its shareholders.

At the balance sheet date, CapMan has two unsecured senior bonds outstanding, EUR 40 million sustainability-linked unsecured bond maturing on April 13, 2027 and EUR 60 million sustainability-linked unsecured bond maturing on June 10, 2029. In addition, CapMan has a long-term credit facility of EUR 20 million available until June 17, 2027, which was not in use at the balance sheet date.

The long-term credit facility agreement and senior bond agreeements include financial covenants related to both equity ratio and net gearing.

1,000 EUR	2024	2023
Interest-bearing loans	102,533	93,856
Cash and cash equivalents	–90,142	–41,017
Net debt	12,391	52,839
Equity	202,568	115,125
Net gearing	6.1%	45.9%
Return on equity	46.2%	2.6%
Equity ratio	59.0%	47.8%

f) Price risk of the investments in funds

The investments in funds are valued using the International Private Equity and Venture Capital Valuation Guidelines. According to these guidelines, the fair values are generally derived by multiplying key performance metrics of the investee company (e.g., EBITDA) by the relevant valuation multiple (e.g., price/equity ratio) observed for comparable publicly traded companies or transactions. Changes in valuation multiples can lead to significant changes in fair values depending on the leverage ratio of the investee company.

g) Climate related risks

The Group has assessed the impact of climate-related matters and whether climate related risks could be expected to result in material adjustments in the Group's financial statements. The Group is committed to Science Based Targets and climate net zero target and has established short-term, mid-term and long-term sustainability targets for CapMan Group as well as for its investment areas. The Group's largest assets consist of financial assets, and more precisely, of its own and external fund investments valued at fair value. Therefore, potential climate-related risks are primarily associated with CapMan's own fund investments, managed by CapMan's investment professionals, and with external fund investments. CapMan's commitment to climate net zero, combined with the valuation process described earlier, can therefore be seen taking sufficiently into account climate-related matters impacting the fair value of the underlying portfolio companies, real estate properties and other holdings owned by CapMan's own funds. Fair value of external fund investments is based on external fund managers' valuations and no climate-related adjustments are made by CapMan. However, the Group sees that the industries, in which the portfolio companies of the external fund investments operate, are not materially subject to climate related risks with regards to their fair valuation.

h) Determining fair values

Fair value hierarchy of financial assets measured at fair value at 31 December 2024

1,000 EUR	Fair value	Level 1	Level 2	Level 3
Investments in funds	**167,221**	4,318	0	162,903
Other non-current investments	**571**	545	0	25
Current financial assets at FVTPL*	**3,790**	0	3,790	0

*fair value through profit or loss

The different levels have been defined as follows:
Level 1 – Quoted prices (unjusted) 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

1,000 EUR	Level 1	Level 2	Level 3	Total
Non-current investments at fair value through profit or loss				
Investments in funds				
at Jan 1	980		157,927	158,907
Additions			19,017	19,017
Acquisitions			3,301	
Distributions	–589		–9,465	–9,465
Disposals			–15,623	–15,623
Fair value gains/losses			7,746	7,746
Transfers*	3,927		0	3,927
at the end of period	4,318		162,903	167,221
Other investments				
at Jan 1	482	0	25	507
Additions	42			42
Fair value gains/losses	21			21
at the end of period	545	0	25	571

* Includes the change of cash and cash equivalents of the subsidiary CapMan Fund Investments SICAV-SIF, classified as fund investments,

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

1,000 EUR	Fair value	Level 1	Level 2	Level 3
Investments in funds	**158,907**	980	0	157,927
Other non-current investments	**508**	482	0	25
Current financial assets at FVTPL*	**275**	116	159	0

*fair value through profit or loss
The different levels have been defined as follows:
Level 1 – Quoted prices (unjusted) 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

1,000 EUR	Level 1	Level 2	Level 3	Total
Non-current investments at fair value through profit or loss				
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	433
Additions	46			46
Fair value gains/losses	28			28
at the end of period	482	0	25	508

* Includes the change of cash and cash equivalents of the subsidiary CapMan Fund Investments SICAV-SIF, classified as fund investments,

Sensitivity analysis of Level 3 investments at 31 December 2024

Investment area	Fair Value MEUR, 31 December 2024	Valuation methodology	Unobservable inputs	Used input value (weighted average)	Change in input value	Fair value sensitivity
Private Equity	**50.3**	Peer group	Peer group earnings multiples	EV/EBITDA 2024 12.1×	+/– 10%	+/– 5.2 MEUR
			Discount to peer group multiples	20%	+/– 10%	–/+ 1.4 MEUR
Real Estate	**39.3**	Valuation by an independent valuer	FX rate	EUR/SEK 11.4590	+/–1%	–/+ 0.1 MEUR
				EUR/DKK 7.4578	+/–1%	–/+ 0.1 MEUR
				EUR/NOK 11.7950	+/–1%	–/+ 0.0 MEUR
Infra	**17.7**	Discounted cash flows	Terminal value	EV/EBITDA 14.6×	+/– 5%	+/– 1.2 MEUR
			Discount rate; market rate and risk premium	13%	+/– 100 bps	–/+ 1.9 MEUR
Credit	**5.9**	Discounted cash flows	Discount rate; market rate and risk premium	10%	+/– 100 bps	–0.2 MEUR / value change based on a change in the discount rate is not booked
Natural Capital	**2.9**	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	**7.8**	Reports from PE fund management company	FX rate	EUR/USD 1.0389	+/–1%	–/+ 0.1 MEUR
Investments in external venture capital funds	**39.1**	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 10.5×	+/– 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 15.1×	+/– 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				

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 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.

Valuations based on appraisals by Independent external experts are updated annually for closed-end funds and quarterly for open-ended funds.

Parent Company Income Statement (FAS)

EUR	Note	1.1.–31.12.2024	1.1.–31.12.2023
Turnover	1	2,898,128.24	6,815,795.44
Other operating income	2	63,999,271.42	–142,640.32
Employee benefit expenses	3	–8,827,427.72	–6,300,619.64
Depreciation	4	–62,388.62	–97,783.34
Other operating expenses	5	–4,512,767.03	–4,049,856.25
Operating loss		53,494,816.29	–3,775,104.11
Finance income and costs	6	12,757,898.29	19,364,289.83
Profit before appropriations and taxes		66,252,714.58	15,589,185.72
Appropriations	7	2,163,690.00	3,129,500.00
Income taxes		0.00	–944.21
Profit for the financial year		68,416,404.58	18,717,741.51

CapMan

Parent Company Balance Sheet (FAS)

EUR	Note	31.12.2024	31.12.2023
ASSETS			
Non-current assets			
Intangible assets	8	0.00	6,886.40
Tangible assets	9	107,203.52	151,822.57
Investments	10		
Shares in subsidiaries		182,491,544.71	126,199,336.83
Investments in associated companies		34,211.38	34,211.38
Other investments		10,578,562.96	10,593,627.04
Other receivables		6,878,811.92	6,294,849.42
Investments total		199,983,130.97	143,122,024.67
Non-current assets, total		200,090,334.49	143,280,733.64
Current assets			
Short-term receivables	11	22,073,008.19	24,489,032.09
Investments	12	15,000,000.00	1,000,000.00
Cash and bank		62,770,102.78	22,056,494.04
Current assets, total		99,843,110.97	47,545,526.13
Total assets		299,933,445.46	190,826,259.77

EUR	Note	31.12.2024	31.12.2023
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	13		
Share capital		37,774,813.96	771,586.98
Share premium account		38,968,186.24	38,968,186.24
Invested unrestricted shareholders' equity		18,119,799.89	18,119,799.89
Retained earnings		1,743,056.58	688,394.09
Profit for the financial year		68,416,404.58	18,717,741.51
Shareholders' equity, total		165,022,261.25	77,265,708.71
Liabilities			
Non-current liabilities	14	101,291,772.47	91,432,514.15
Current liabilities	15	33,619,411.74	22,128,036.91
Liabilities, total		134,911,184.21	113,560,551.06
Total shareholders' equity and liabilities		299,933,445.46	190,826,259.77

Parent Company Cash Flow Statement (FAS)

EUR	1.1.–31.12.2024	1.1.–31.12.2023
Cash flow from operations		
Profit before extraordinary items	66,252,715	15,589,186
Finance income and costs	–12,757,898	–19,364,290
Adjustments to cash flow statement		
Depreciation, amortisation and impairment	62,389	97,783
Gain on sale of subsidiary shares	–64,597,702	0
Change in net working capital		
Change in current assets, non-interest-bearing	718,032	611,149
Change in current liabilities, non-interest-bearing	–565,740	–144,400
Interest paid	–4,360,126	–4,436,439
Interest received	1,735,000	729,394
Dividends received	19,510,040	22,603,554
Direct taxes paid	0	–34,717
Cash flow from operations	**5,996,710**	**15,651,220**
Cash flow from investments		
Acquisition of subsidiaries	–8,701,014	–206,874
Cash of a dissolved or merged subsidiary	13,600	160,000
Investments in subsidiaries	–12,636,892	–7,987,603
Sale of subsidiary shares	64,790,745	3,789,444
Repayment of capital from subsidiaries	389,282	4,898,789
Investments in tangible and intangible assets	–10,883	–9,050
Investments in other placements, net	–13,996,433	–999,707
Loan receivables granted	–1,872,827	–1,992,287
Repayment of loan receivables	4,727,626	2,381,031
Cash flow from investments	**32,703,204**	**33,743**

EUR	1.1.–31.12.2024	1.1.–31.12.2023
Cash flow from financing activities		
Repayment of capital	0	0
Proceeds from long-term borrowings	0	–14,254,357
Repayment of long-term borrowings	59,668,300	0
Dividends paid	–50,000,000	0
Change in group liabilities	0	0
Group contributions received	–17,663,655	–12,671,736
Change in group liabilities	9,855,944	7,482,742
Group contributions received	0	742,000
Cash flow from financing activities	**1,860,589**	**–18,701,351**
Change in cash and cash equivalents	40,560,503	–3,016,389
Cash and cash equivalents at beginning of year	22,056,493	25,218,755
Translation difference	153,107	–145,873
Cash and cash equivalents at end of year	62,770,103	22,056,493

Notes to the Parent Company Financial Statements (FAS)

Basis of preparation for parent company financial statements
CapMan Plc's financial statements for 2024 have been prepared in accordance with the Finnish Accounting Act.

Foreign currency translation
Transactions in foreign currencies have been recorded at the rates of exchange prevailing at the date of the transaction. Foreign currency denominated receivables and payables are recorded at the rates of exchange prevailing at the closing date of the review period.

Investments
Investments are valued at acquisition cost. If the probable future income from the investment is permanently lower than the value at acquisition cost excluding depreciation, the difference is recognised as an expense.

Intangible and tangible assets
Intangible and tangible assets are valued at cost less accumulated depreciation and amortisation according to the plan, except for assets having an indefinite useful life.

Receivables
Receivables comprise receivables from Group companies and associated companies, trade receivables, accrued income and other receivables. Receivables are recorded at nominal value, however no higher than at probable value. Receivables are classified as non-current assets if the maturity exceeds 12 months.

Financial risk management and derivative instruments
The financial risk management of CapMan Group is centralised with the parent company. The financial risk management principles are provided in the Notes to the Group financial statements under 33. Financial risk management.

CapMan Plc uses derivative instruments, such as foreign exchange forwards, to hedge against currency changes incurred to its certain and significant foreign currency denominated trade receivables. Derivative instruments are measured at the lower of their cost or market value.

Non-current liabilities
Senior bonds maturing later than one year after the balance sheet date are recorded as non-current liabilities at nominal value.

Current liabilities
Bonds maturing within one year are presented as current liabilities and measured at their nominal value. Derivative liabilities are measured at fair value.

Leases
Lease payments are recognised as other expenses. The remaining commitments under each lease are provided in the Notes section under “Commitments”.

Provisions
Provisions are recognised as expenses in case the parent company has an obligation that will not result in comparable income or losses that are deemed apparent.

Pensions
Statutory pension expenditures are recognised as expenses at the year of accrual. Pensions have been arranged through insurance policies of external pension institutions.

Revenue
Revenue includes the sale of services to subsidiaries and revenue from the sale of securities, dividends and other similar income from securities classified as inventories. Revenue from services is recognised, when the service is delivered.

Income taxes
Income taxes are recognised based on Finnish tax law. Deferred taxes are calculated on temporary differences between the carrying amount and the tax base. Deferred taxes have been measured at the statutory tax rates that have been enacted by the balance sheet date and are expected to apply when the related deferred tax is realised.

Appropriations
Appropriations in the income statement consist of possible given and received group contributions and possible depreciation in excess of plan, and in the balance sheet, possible accumulated depreciation in excess of plan.

CapMan

1. Turnover by area

EUR	2024	2023
Sale of services		
Finland	1,543,281	1,106,945
Foreign	1,354,847	5,708,850
Total	2,898,128	6,815,795

2. Other operating income

EUR	2024	2023
Turnover translation difference	273,592	–185,905
Gain on sale of subsidiary shares	63,724,518	43,249
Other operating income	1,162	16
Total	63,999,272	–142,640

3. Personnel

EUR	2024	2023
Salaries and wages	7,672,327	5,497,998
Pension expenses	1,053,578	664,920
Other personnel expenses	101,523	137,702
Total	8,827,428	6,300,620
Management remuneration		
Salaries and other remuneration of the CEO		
Joakim Frimodig (1.1.–15.3.2023)	0	922,804
Pia Kåll (15.3.–31.12.2023)	438,858	350,036
Board members	513,100	535,560
Average number of employees	23	35

Management remuneration is presented in the Group Financial Statements Table 32. Related party disclosures.

4. Depreciation

EUR	2024	2023
Depreciation according to plan		
Other long-term expenditure	6,886	34,771
Machinery and equipment	55,502	63,013
Total	62,388	97,783

5. Other operating expenses

EUR	2024	2023
Other personnel expenses	357,974	189,400
Office expenses	250,454	114,449
Travelling and entertainment	114,675	348,374
External services	2,301,459	2,201,296
Internal services	1,333,934	1,044,488
Other operating expenses	154,272	151,849
Total	4,512,768	4,049,856
Audit fees		
Audit	199,296	115,738
Total	199,296	115,738

6. Finance income and costs

EUR	2024	2023
Dividend income		
Group companies	20,140,565	21,231,776
Total	20,140,565	21,231,776
Other interest and finance income		
Group companies	713,890	2,297,813
Others	1,139,279	797,787
Total	1,853,169	3,095,599
Interest and other finance costs		
Impairment of shares and interests	–2,780,858	–215,411
Write-down of receivables	98,981	–11,338
Group companies	–593,629	–350,580
Others	–5,960,330	–4,385,755
Total	–9,235,836	–4,963,085
Finance income and costs total	12,757,898	19,364,290

7. Appropriations

EUR	2024	2023
Group contributions received	2,163,690	3,129,500

8. Intangible assets

EUR	2024	2023
Intangible rights		
Acquisition cost at 1 January	828,188	828,188
Acquisition cost at 31 December	828,188	828,188
Accumulated depreciation at 1 January	–828,188	–828,188
Accumulated depreciation at 31 December	–828,188	–828,188
Book value on 31 December	0	0
Other long-term expenditure		
Acquisition cost at 1 January	2,677,518	2,677,518
Additions	0	0
Acquisition cost at 31 December	2,677,518	2,677,518
Accumulated depreciation at 1 January	–2,670,632	–2,635,861
Depreciation for the financial period	–6,886	–34,771
Accumulated depreciation at 31 December	–2,677,518	–2,670,632
Book value on 31 December	0	6,886
Intangible rights total	0	6,886

9. Tangible assets

EUR	2024	2023
Machinery and equipment		
Acquisition cost at 1 January	1,336,073	1,327,023
Additions	10,883	9,050
Acquisition cost at 31 December	1,346,956	1,336,073
Accumulated depreciation at 1 January	–1,206,990	–1,143,978
Depreciation for the financial period	–55,502	–63,013
Accumulated depreciation at 31 December	–1,262,492	–1,206,990
Book value on 31 December	84,464	129,083
Other tangible assets		
Acquisition cost at 1 January	22,739	22,739
Book value on 31 December	22,739	22,739
Tangible assets total	107,203	151,822

10. Investments

EUR	2024	2023
Shares in subsidiaries		
Acquisition cost at 1 January	126,199,336	127,068,504
Additions	58,341,133	8,194,477
Disposals	–604,035	–8,848,233
Impairments	–1,444,891	–215,411
Acquisition cost at 31 December	182,491,543	126,199,336
Shares in associated companies		
Acquisition cost at 1 January	34,212	34,212
Disposals	0	0
Acquisition cost at 31 December	34,212	34,212
Shares, other		
Acquisition cost at 1 January	10,593,627	10,559,049
Additions	42,000	46,209
Disposals	–3,567	–293
Impairment	–53,497	–11,338
Acquisition cost at 31 December	10,578,563	10,593,627
Other receivables		
Other loan receivables	3,452,553	2,161,043
Accounts receivable	3,426,259	4,133,806
Long-term receivables total	6,878,812	6,294,849
Investments total	199,983,130	143,122,024

The subsidiaries and the associated companies are presented in the Notes to the Consolidated Financial Statements, Table 32. Related party disclosures.

11. Short-term receivables

EUR	2024	2023
Receivables from Group companies		
Accounts receivable	233,332	353,428
Accrued income	0	24,062
Loan receivables	9,929,759	14,039,759
Other receivables	9,283,984	6,978,048
Total	19,447,075	21,395,297
Accounts receivable	1,441,266	1,575,041
Loan receivables	249,725	848,039
Other receivables	203,932	166,525
Accrued income	731,009	504,130
Short-term receivables total	22,073,007	24,489,032

12. Investments

EUR	2024	2023
Acquisition cost at 1 January	1,000,000	0
Additions	14,000,000	1,000,000
Acquisition cost at 31 December	15,000,000	1,000,000
Investments, total	15,000,000	1,000,000

13. Shareholders' equity

EUR	2024	2023
Share capital at 1 January	771,587	771,587
Additions	37,003,227	0
Share capital at 31 December	37,774,814	771,587
Share premium account at 1 January	38,968,186	38,968,186
Share premium account at 31 December	38,968,186	38,968,186
Invested unrestricted shareholders' equity at 1 January	18,119,800	32,374,157
Invested unrestricted shareholders' equity, disposals	0	–14,254,357
Invested unrestricted shareholders' equity at 31 December	18,119,800	18,119,800
Retained earnings at 1 January	19,406,136	13,362,464
Dividend payment	–17,663,079	–12,674,070
Retained earnings at 31 December	1,743,057	688,394
Profit for the financial year	68,416,405	18,717,742
Shareholders' equity, total	165,022,262	77,265,709

Calculation of distributable funds

Retained earnings	1,743,057	688,394
Profit for the financial year	68,416,405	18,717,742
Invested unrestricted shareholders' equity	18,119,800	18,119,800
Total	88,279,262	37,525,935

CapMan Plc's share capital is divided as follows:

	2024 Number of shares	2023 Number of shares
Series B share (1 vote/share)	176,878,210	158,849,387

14. Non-current liabilities

EUR	2024	2023
Senior bonds	99,607,323	89,750,033
Other non-current liabilities	1,684,449	1,682,481
Non-current liabilities total	101,291,772	91,432,514

15. Current liabilities

EUR	2024	2023
Accounts payable	155,727	466,074
Liabilities to Group companies		
Group account at OP Yrityspankki Plc	18,982,130	18,038,256
Group account at Nordea Bank	8,912,069	0
Accounts payable	287,240	86,827
Other liabilities	1,054	166,354
Accrued expenses	115,023	108,003
Total	28,297,516	18,339,440
Other liabilities	203,697	903,279
Accrued expenses	4,962,471	2,359,243
Current liabilities total	33,619,411	22,128,037

16. Contingent liabilities

EUR	2024	2023
Leasing agreements		
Operating lease commitments		
Within one year	183,250	135,226
After one but not more than five years	88,169	66,654
Total	271,419	201,880
Other hire purchase commitments		
Within one year	763,884	757,008
After one but not more than five years	827,541	1,577,100
Total	1,591,425	2,334,108
Securities and other contingent liabilities		
Contingencies for own commitment		
Enterprise mortgages	60,000,000	60,000,000
Investment commitments to other funds	2,277,273	1,003,556
Other contingent liabilities	1,024,014	1,204,663
Total	63,301,287	62,208,219
Contingencies for subsidiaries’ commitments		
Investment commitments	207,656	207,656
Total	207,656	207,656

17. Derivative instruments

EUR	2024	2023
Nominal amount of derivatives		
Foreign exchange forwards	4,484,334	5,319,743
Total	4,484,334	5,319,743
Fair value of derivatives		
Foreign exchange forwards	–76,832	116,491
Total	–76,832	116,491

Signatures to the Report of the Board of Directors and Financial Statements

Statement by the Board of Directors regarding the Financial Statements and the Report of the Board of Directors:
Consolidated financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) and Financial Statements of the parent company prepared in accordance with the laws and regulations governing the preparation of financial statements in Finland give a true and fair view of the assets, liabilities, financial position and net profit or loss of both the parent company and the companies included in the consolidated financial statements.

Report of the Board of Directors gives a true description of the development of company's and its subsidiaries' businesses and profitability and contains a description of the most significant risks and uncertainties, as well as other status of the company.

Helsinki 12.2.2025

Joakim Frimodig
Chairman

Mammu Kaario

Catarina Fagerholm

Johan Hammarén

Olli Liitola

Johan Bygge

Pia Kåll
CEO

The Auditor's Note

Our report has been issued today.

Helsinki 12.2.2025

Ernst & Young Oy
Audit firm

Kristina Sandin
Authorised Public Accountant

Auditor's report (Translation of the Finnish original)

To the Annual General Meeting of CapMan Plc

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of CapMan Plc (business identity code 0922445-7) for the year ended 31 December, 2024. The financial statements comprise the consolidated balance sheet, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes, including material accounting policy information, as well as the parent company's balance sheet, income statement, statement of cash flows and notes.

In our opinion
- the consolidated financial statements give a true and fair view of the group's financial position, financial performance and cash flows in accordance with IFRS Accounting Standards as adopted by the EU.
- the financial statements give a true and fair view of the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Our opinion is consistent with the additional report submitted to the Audit and Risk Committee.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

In our best knowledge and understanding, the non-audit services that we have provided to the parent company and group companies are in compliance with laws and regulations applicable in Finland regarding these services, and we have not provided any prohibited non-audit services referred to in Article 5(1) of regulation (EU) 537/2014. The non-audit services that we have provided have been disclosed in note 7 to the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

We have also addressed the risk of management override of internal controls. This includes consideration of whether there was evidence of management bias that represented a risk of material misstatement due to fraud.

Key Audit Matter	How our audit addressed the Key Audit Matter

Revenue recognition

We refer to the accounting policies in the financial statements and the Note 3.

CapMan's turnover in consolidated group accounts amounted to 57,6 million euros. It consists of management fees, sale of services and carried interest income.

The timing of revenue recognition can be judgmental as revenue is recognized either over time or at the point in time depending on the circumstances and provided services. The assessment of recognized revenue includes management assumptions and estimates.

Revenue recognition was determined to be a key audit matter. Revenue recognition related to carried interest was determined to be a significant risk of material misstatement referred to in EU Regulation No 537/2014 point (c) of Article 10(2) in respect of its timely recognition and at a proper amount.

Our audit procedures to address the risk of material misstatement included, among other things, assessing that the revenue recognition principles comply to applicable accounting standards, assessing the process for recognizing revenue and identifying controls relating to revenue recognition.

We examined sales cutoff with analytical procedures. We supplemented our procedures with test of details on a transaction level on a random basis in order to ensure that the revenue has been recognized in a correct accounting period and it's based on the corresponding agreements.

In addition, we assessed the adequacy of disclosures relating to the fee and commission income of the group.

Key Audit Matter	How our audit addressed the Key Audit Matter

Valuation of non-liquid investments

We refer to the accounting policies in the financial statements and the Notes 18 and 33.

The Group's investment portfolio 31.12.2024 amounts to 167,2 million euros. The investment portfolio includes mainly investments to funds managed by CapMan group companies.

Determination of the fair value of funds and direct investments to portfolio companies is executed using International Private Equity and Venture Capital valuation guidelines (IPEV) and IFRS and the fair values are based on estimated cash-flows or peer-group multiples. Fair value measurement includes subjective estimations by management, specifically in areas where fair value is based on a model-based valuation. Valuation techniques for private equity funds involve setting various assumptions regarding pricing factors. The use of different valuation techniques and assumptions could lead to different estimates of fair value.

Valuation of non-liquid investments was determined to be a key audit matter and a significant risk of material misstatement referred to in EU Regulation No 537/2014 point (c) of Article 10(2).

Our audit procedures to address the risk of material misstatement relating to valuation of non-liquid investments included, among others: Developing an understanding of the private equity, natural capital and real estate portfolios.

- Reviewing the price of recent transactions and investments.
- Assessing assumptions used in the valuations and obtaining an understanding that the valuation appropriately reflects the risks of the portfolios.
- Comparing the assumptions against established policies and determining if they have been applied appropriately.
- Reviewing and assessing the valuations determined by CapMan or other party.
- Assessing whether the International Private Equity and Venture Capital Valuation Guidelines and valuation methodology of IFRS have been applied correctly.

Our valuation specialists were involved in the audit.

In addition, we assessed the adequacy of disclosures relating to the non-liquid investments.

Key Audit Matter	How our audit addressed the Key Audit Matter
Dasos Capital business combination *We refer to the accounting policies in the financial statements and the Note 14.* The Group acquired the shares of Dasos Capital Oy during the financial year. The acquisition date was determined to be March 1, 2024. The purchase consideration of 37,4 million euros was paid with CapMan Oyj shares (34,4 million euros) and in cash (3,0 million euros). Assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at acquisition date fair value. Management judgement relates specifically to determining the fair value of acquired assets and liabilities, in particular determining the fair values of separately identifiable intangible assets such as customer relationships. The significant business combination was a key audit matter as it involves valuation processes and methods, and judgments made by management.	Our audit procedures included, among others: • Familiarizing ourselves with the Share Purchase Agreement relating to the business combination of Dasos Capital. • Assessing together with our valuation specialists the valuation processes and methodologies to identify acquired assets and liabilities and to determine the fair value of these. • Assessing the adequacy of disclosures relating to the business combination.

Key Audit Matter	How our audit addressed the Key Audit Matter
Valuation of goodwill *We refer to the accounting policies in the financial statements and the Note 16.* The value of goodwill at the date of the financial statements 31.12.2024 amounted to 30,1 million euros representing 9% of total assets and 15% of equity. Valuation of goodwill was a key audit matter because the assessment process is complex and is based on numerous judgmental estimates and because the amount of goodwill is significant to the financial statements. Valuation of goodwill is based on management's estimate about the value in use calculations of the cash generating units. There are a number of underlying assumptions used to determine the value in use, including development of revenue and profitability and the discount rate applied on cash flows. Estimated value in use of the cash generating units may vary significantly when the underlying assumptions are changed. Changes in above-mentioned individual assumptions may result in an impairment of goodwill. Valuation of goodwill was also a significant risk of material misstatement as defined by EU Regulation No 537/2014, point (c) of Article 10(2).	Our audit procedures to address the risk of material misstatement in respect of valuation of goodwill included among others: • Involvement of EY valuation specialists to assist us in evaluating methodologies, impairment calculations and underlying assumptions applied by the management in impairment testing. • Testing of the mathematical accuracy of the impairment calculations. • Comparing the key assumptions applied by management in impairment tests to approved strategic plans and forecasts, information available in external sources and our independently calculated industry averages such as weighted average cost of capital used in discounting the cashflows. • Assessment of the Group's disclosures in respect of impairment testing.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance on whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Reporting Requirements

Information on our audit engagement

We were first appointed as auditors by the Annual General Meeting on March 14, 2018, and our appointment represents a total period of uninterrupted engagement of seven years.

Other information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors and the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. We have obtained the report of the Board of Directors prior to the date of this auditor's report, and the Annual Report is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in compliance with the applicable provisions.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in compliance with the applicable provisions.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Helsinki 12.2.2025

Ernst & Young Oy
Authorized Public Accountant Firm

Kristina Sandin
Authorized Public Accountant

Independent Auditor's Report on the ESEF Consolidated Financial Statements of CapMan Oyj (Translation of the Finnish original)

To the Board of Directors of CapMan Oyj

We have performed a reasonable assurance engagement on the financial statements 743700498L5THNQWVL66_2024-12-31-fi.zip of CapMan Oyj (y-identifier: 0922445-7) that have been prepared in accordance with the Commission's regulatory technical standard for the financial year ended 31.12.2024.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the company's report of Board of Directors and financial statements (the ESEF financial statements) in such a way that they comply with the requirements of the Commission's regulatory technical standard. This responsibility includes:

- preparing the ESEF financial statements in XHTML format in accordance with Article 3 of the Commission's regulatory technical standard
- tagging the primary financial statements, notes and company's identification data in the consolidated financial statements that are included in the ESEF financial statements with iXBRL tags in accordance with Article 4 of the Commission's regulatory technical standard and
- ensuring the consistency between the ESEF financial statements and the audited financial statements

The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of ESEF financial statements in accordance the requirements of the Commission's regulatory technical standard.

Auditor's Independence and Quality Management

We are independent of the company in accordance with the ethical requirements that are applicable in Finland and are relevant to the engagement we have performed, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The firm applies International Standard on Quality Management (ISQM) 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements

Auditor's Responsibilities

Our responsibility is to, in accordance with Chapter 7, Section 8 of the Securities Markets Act, provide assurance on the financial statements that have been prepared in accordance with the Commission's technical regulatory standard. We express an opinion on whether the consolidated financial statements that are included in the ESEF financial statements have been tagged, in all material respects, in accordance with the requirements of Article 4 of the Commission's regulatory technical standard.

Our responsibility is to indicate in our opinion to what extent the assurance has been provided. We conducted a reasonable assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000.

The engagement includes procedures to obtain evidence on:

- whether the primary financial statements in the consolidated financial statements that are included in the ESEF financial statements have been tagged, in all material respects, with iXBRL tags in accordance with the requirements of Article 4 of the Commission's regulatory technical standard and
- whether the notes and company's identification data in the consolidated financial statements that are included in the ESEF financial statements have been tagged, in all material respects, with iXBRL tags in accordance with the requirements of Article 4 of the Commission's regulatory technical standard and
- whether there is consistency between the ESEF financial statements and the audited financial statements.

The nature, timing and extent of the selected procedures depend on the auditor's judgement. This includes an assessment of the risk of material deviations due to fraud or error from the requirements of the Commission's technical regulatory standard.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

Our opinion pursuant to Chapter 7, Section 8 of the Securities Markets Act is that the primary financial statements, notes and company's identification data in the consolidated financial statements that are included in the ESEF financial statements of CapMan Oyj 743700498L5THNQWVL66_2024-12-31-fi.zip for the financial year ended 31.12.2024 have been tagged, in all material respects, in accordance with the requirements of the Commission's regulatory technical standard.

Our opinion on the audit of the consolidated financial statements of CapMan Oyj for the financial year ended 31.12.2024 has been expressed in our auditor's report 12.2.2025. With this report we do not express an opinion on the audit of the consolidated financial statements nor express another assurance conclusion.

Helsinki 28.2.2025
Ernst & Young Oy
Authorized Public Accountant Firm

Kristina Sandin
Authorized Public Accountant