

Good core business profitability

CapMan's Q3 results were below our and consensus expectations. On our estimates the main deviations came from FV changes (EUR -0.8m/2.0m act./Evli) and the classification of CaPS as discontinued operations. The relative profitability of the Management Company business was better than expected on lower than estimated turnover.

- Turnover in Q3 was EUR 12.8m (EUR 13.7m in Q3/23), below our estimates and consensus (EUR 16.9m/16.7m Evli/Cons.). CaPS has been classified as discontinued operations; turnover incl. CaPS would have been EUR 15.4m.
- Operating profit in Q3 amounted to EUR 1.7m (EUR 4.8m in Q2/23) and EUR 2.7m incl. CaPS, below our estimates and consensus (EUR 6.7m/7.6m) Evli/cons.
- EPS in Q3 amounted to EUR 0.00 (EUR 0.02 in Q3/23), below our estimates and consensus (EUR 0.02/0.02 Evli/cons.).
- Turnover in the Management Company business in Q3 was EUR 12.6m vs. EUR 14.0m Evli. Operating profit in Q3 amounted to EUR 3.9m vs. EUR 4.5m Evli. Carried interest EUR 0.0m vs. EUR 0.5m Evli.
- Turnover in the Investment business in Q3 was EUR 0.0m vs. EUR 0.0m Evli. Operating profit in Q3 amounted to EUR -0.9m vs. EUR 1.9m Evli.
- Capital under management by the end of Q3 was EUR 6.0bn (Q3/23: EUR 5.0bn). Real estate funds: EUR 3.1bn, Private Equity & Credit funds: EUR 1.0bn, Natural Capital funds: 0.7bn, Infra funds: EUR 0.7bn, and Wealth Management: EUR 0.5bn.

Rating 🇸🇫 Buy

Q3/24	Actual	Evli	Cons.	Q3/23
Net sales	12.8	16.9	16.7	13.7
EBIT	1.7	6.7	7.6	4.8
EPS	0.00	0.03	0.03	0.02
Deviation	Actual	Evli	Cons.	ago
Net sales		-24 %	-23 %	-7 %
EBIT		-75 %	-78 %	-65 %
EPS		-	-	-

*Consensus by Bloomberg

Share price, EUR (Last trading day's closing price)	179
Target price, EUR	2.2
Latest change in recommendation	30-Apr-21
Latest report on company	09-Oct-24
Research paid by issuer:	YES
No. of shares outstanding, '000's	176 522
No. of shares fully diluted, '000's	176 522
Market cap, EURm	316
Free float, %	64.0 %
Exchange rate	1.0
Reuters code	CAPMAN.HE
Bloomberg code	CAPMAN FH
Average daily volume, EURm	0.25
Next interim report	07-Nov-24
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🇸🇫 BUY 🟡 HOLD 🇸🇫 SELL

PRE-REPORT KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2022	67.5	53.1	78.6%	3.0	0.25	10.8	7.0	8.9	0.7%	0.17
2023	59.4	4.7	7.9%	10.3	0.01	276.0	7.1	90.5	2.8%	0.10
2024E	73.4	86.5	117.9%	41.9	0.38	4.7	4.2	3.6	13.3%	0.14
2025E	72.1	38.3	53.2%	28.8	0.16	11.2	4.3	8.0	9.1%	0.15
2026E	79.3	45.0	56.8%	34.1	0.19	9.3	3.8	6.6	10.8%	0.13
Market cap, EURm		316	Gearing 2024E, %		-3.8 %	CAGR EPS 2023-26, %		184.7 %		
Net debt 2024E, EURm		-8	Price/book 2024E		1.6	CAGR Sales 2023-26, %		10.1 %		
Enterprise value, EURm		311	Dividend yield 2024E, %		7.8 %	ROE 2024E, %		43.1 %		
Total assets 2024E, EURm		345	Tax rate 2024E, %		12.7 %	ROCE 2024E, %		34.3 %		
Goodwill 2024E, EURm		31	Equity ratio 2024E, %		58.2 %	PEG, P/E 24/CAGR		-0.3		

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

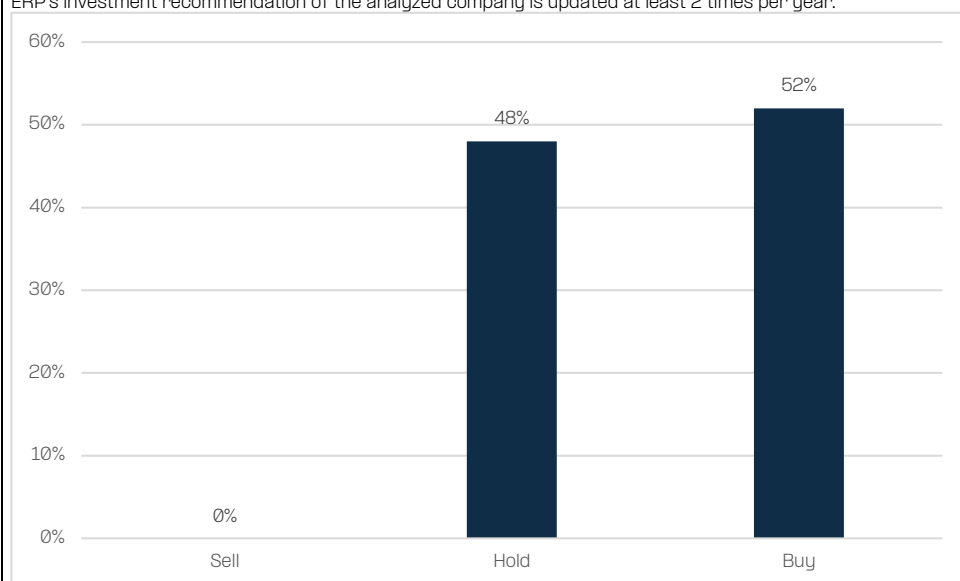
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Investment recommendations are defined as follows:

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

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

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