

Unofficial translation

**FINANCIAL STATEMENTS & ANNUAL REPORT**  
**31 DECEMBER 2021**

**CapMan**  
**Nordic Property Income Fund (non-UCITS)**

**Business ID: FI28436367**

**FINANCIAL STATEMENTS AND ANNUAL REPORT 31 December 2021**

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**CAPMAN NORDIC PROPERTY INCOME FUND (non-UCITS)**  
**ANNUAL REPORT FROM FINANCIAL PERIOD 1 JANUARY 2021 –**  
**31 DECEMBER 2021**

CapMan Nordic Property Income Fund (non-UCITS) (hereinafter 'Fund') is a non-UCITS fund as defined in the Act on Common Funds (Finlex 48/1999), which mainly invests in real estate and real estate securities. The fund started its operations on 5 December 2017. The fund is an alternative fund as defined in the Act on Alternative Investment Funds' Managers (Finlex 162/2014). The fund is managed by CapMan AIFM Oy ('Alternative Investment Fund Manager').

The Fund's goal is to provide its unit holders with as high as possible long-term risk-adjusted return. The assets of the Fund are primarily invested, directly or indirectly, into real-estate investments located in Finland, Sweden, Denmark, and Norway. The Fund strives to generate income primarily from the rental income of the properties owned by it directly or indirectly, the appreciation of property values, and realised profit. The Fund may attempt to generate additional returns by investing in construction and real estate development projects directly or indirectly.

During the financial period, the sum of total fund subscriptions was EUR 20,143,425.39. Additionally, on the year's last subscription day on 31 December 2021, subscriptions worth a total of EUR 11,593,140.00 were made. Redemptions were paid out during the year for a sum of EUR 13,111,022.70. Additionally, at the next redemption date on 31 March 2022 8,839.71336 E class shares, 624.79000 Nordea class shares and 2,305.61179 B class shares will be redeemed. At balance sheet date, 51.10000 Nordea class shares and 82.86445 A class shares have been reported for redemption on 30 September 2022. At the end of the financial period, the fund had 82 shareholders. The total value of fund units was EUR 105,222,550 at the end of the financial period.

The total market value of investments was EUR 149,040,218.73, and the value of cash and cash equivalents was EUR 31,799,210.80. The Fund's rules are taken into account in the Fund's valuation and the INREV adjustments have also been included in the calculations. As a result, the values of the units shown in the valuation deviate partly from those in the financial statement.

During the financial period, the fund made no new real estate acquisition and made no sales. At the end of the period, the Fund's investments are nine wholly owned real estate assets and a share of a diversified portfolio. The investments are located in the Nordic countries. In euros, 53 % of the real estates' market value is located in Finland, 20 % in Sweden and 27 % in Denmark. The market value is divided based on the real estate type as follows:

- 36 % office properties
- 29 % industrial and logistics properties
- 23 % hotel properties
- 12 % residential properties

The total rentable surface area of the 9 real estate assets is around 60,170 m<sup>2</sup> and they had about 60 tenants. The Fund's average lease maturity was about 6.6 years.

In financial year 2021, net income was about 10.0 million euros of which about 1.8 million were non-recurring compensations for termination of the contract. Normalised net income was about 8.2 million euros. In 2021, the Fund's net rate of return on the average value of properties was 6.9 %, and normalised rate 5.7 %. The market value of the Fund's real estate properties increased 3.7 % during 2021. The Fund's cash flow return was about 4.8 % and value growth return about 6,7 %. Hence, the total rate of return for the Funds equity was about 11.5 %.

The Fund has not made bank loan drawdowns during the financial period. Loan interest is protected against rate fluctuations through interest rate hedging agreements.

Despite the Covid-19 pandemic, confidence in the real estate market returned in the second half of the year 2021. Swedish, Danish, and Norwegian markets experienced a record year in real estate transactions. This was partly explained by the quiet phase in 2020, when the pandemic affected the market.

Regarding the Fund's investments, there was an increase in demand for logistics and warehouse properties as well as an increase in the value of office properties. In the late 2021, a large number of transactions were pending in Finnish market, and there was a general trend in the Nordic countries that the yield requirements for properties were declining and fell below the 2019 level.

During the financial year, the Fund has focused on the property level to the active management of new leases and to ensure the liquidity. The fund terminated the lease contract of a struggling tenant at the Tonsbakken property in Denmark for a significant one-off payment, and the tenant moved out at the end of the year. The Fund managed to enter into a short-term lease contract with a new operator.

During the year, the fund has focused on the procurement of renewable and locally produced energy and has started installing solar panels at Halo and Osmo office properties in Finland.

### **The Fund's risk management and risks**

During the financial year, the Fund's daily operative risk management was performed in cooperation with the Alternative Investment Fund Manager, CapMan Oyj's risk management and compliance functions, and the Fund's portfolio management. Risk control and risk-taking monitoring were performed by the Fund's Alternative Investment Fund Manager.

The Fund's most notable risks are market risk, credit and liquidity risk, and counterparty risk. The Fund's target risk and liquidity risk are in a particular focus in the Fund's risk management.

Target risk refers to a risk of the value of one of the Fund's real estates decreasing significantly. This risk is managed through professional expertise and care applied to the selection of real estates. Liquidity risk refers to the risk that changing the Fund's assets into cash does not succeed within the desired time or at the desired price; that the Fund's realised rental income remains lower than expected, for example due to decreased occupancy rate or general decrease of market rent level (rent risk); and that the Fund's financing expenses vary in some essential way; or that the availability of financing decreases (finance risk).

The risks described above as well as geographical risks and risks related to general economical development are managed by diversifying the Fund's real estate portfolio, emphasize market expertise with regards to portfolio management, carefully monitoring the Fund's liquidity, and adhering strictly to the liquidity limits defined in the Fund's regulations. Additionally, the risks defined above will be managed by monitoring the rental and occupancy rates and performing the necessary development measures targeted at real estate owned by the Fund and using the hedging instruments on the market in a controlled manner.

Other risks associated with the Fund include operational risks related to the management of the Fund, risks arising from changes in regulation and taxation in the operating environment of the Fund and the properties owned by the Fund, and risks related to ESG. Operational risks are managed with clear instructions and well-defined responsibilities. Risks arising from changes in regulations and taxation are managed by actively monitoring the preparation of new and / or changing legislation by the Alternative Fund Manager and CapMan Oyj's Legal and Compliance functions. ESG risks refer to environmental, social, and governance matters related to the Fund's investments, which may result in direct or indirect financial losses and reputational issues. When making investment decisions, ESG issues are always taken into account based on an extensive ESG assessment by the portfolio manager and an external advisor.

The Fund's other risks are risks related to the technical condition of the real estate owned by the Fund, security risks, and the tenant's business sector risk. These risks are managed through careful assessments and technical inspections, reviews of the real estate during the acquisition process, appropriate insurance measures, and effective and professional real estate management and maintenance.

### **Future views**

The Fund will acquire new investments as and when new subscriptions into the Fund are made. The Fund has also signed a multi-year loan facility with a Nordic bank. This will allow investments to be made in all Nordic countries while utilising financing. There are several new investments currently being inspected.

## **Information about key events after the end of the financial period**

After the end of the financial period, the Fund has acquired a modern, well-located warehouse asset located in Mölnlycke Business Park close to Gothenburg, Sweden. One of the properties is a fully developed and fully let warehouse property and the other one is an undeveloped land plot with existing building rights for additional warehouse and office space. The property will have positive effect on the Fund's cash flow from 2022 onwards.

Covid-19 continues to have broad impact on the world economy and market environment. The changed market outlook is reflected in higher tenant risk than usual, which is reflected in the Fund's ability to generate cash flow from its investments. However, yield requirements have been declining and no impairments in fair values of real estate have been seen as in 2020. The Fund's management aims to take into account the exceptional market circumstances in its operations and, therefore, pays particular attention to the Fund's valuation and liquidity management.

On 24 February 2022, Russia began a full-scale invasion of Ukraine. In response, a large number of countries (including EU, the US and UK) began applying significant further sanctions on Russia with the aim of crippling the Russian economy. The conflict itself and the sanctions imposed in response is estimated to pose a substantial economic risk internationally. Based on preliminary portfolio analysis, the direct impact to Fund or its investments is very limited, but the conflict may affect negatively to world economy by increasing volatility of foreign exchange rates and striving up the commodity prices. During financial period of 2021, no reservations resulting from the conflict are included in fair values of Fund's investments.

During early 2022, there have been several assets on markets, and no sign of price adjustment. However, awareness of risks has increased, which may affect risk appetite.

## **Profit distribution**

In accordance with the Fund's rules, the board of the Alternative Investment Fund Manager will decide on the amount and payments of profit distribution to the unit holders. At least 75% of the Fund's returns from each financial period, excluding the unrealised changes in value, will be distributed to the unit holders in relation to their share of ownership. The Alternative Investment Fund Manager will decide on the profit distribution to unit holders at the latest during the calendar year following the Fund's financial year that the return payments are based on.

# CapMan Nordic Property Income Fund (non-UCITS)

## Fund's basic information

Fund type Non-UCITS  
 Operations started 05/12/2017  
 Fund Manager CapMan AIFM Oy (starting from 2 January 2019)

Fund unit series	A	B	C	D	E	Nordea
ISIN	FI4000281910	FI4000281928	FI4000281936	FI4000281944	FI4000281951	FI4000399845
Minimum subscription amount	50 000,00	500 000,00	1 500 000,00	5 000 000,00	10 000 000,00	5 000,00
Subscription fee	2 %	1 %	1 %	0 %	0 %	2 %
Redemption fee (determined based on the investment period)						
< 1 y	3 %	3 %	3 %	4 %	5 %	2 %
1–3 y	2 %	2 %	2 %	3 %	4 %	2 %
3–5 y	1,5 %	1,5 %	1 %	2 %	3 %	2 %
>5 y	1 %	1 %	0,5 %	0 %	0 %	2 %
Management fee and custody fee	2 %	2 %	2 %	2 %	1,5 %	2 %
Performance fee*	20 %	20 %	20 %	20 %	20 %	20 %

\*For the share exceeding 7% marginal revenue

## Key figures of fund shares

	A	B	C	D	E	Nordea
Number of shares	13 741,26266	11 648,37520	75 079,24892	10,00000	554 613,97680	202 751,92565
Value of shares by share class (EUR)	125,92090	125,92090	125,92090	125,92090	128,21944	105,83310
Proportion (%) of the fund value	1,64 %	1,39 %	8,98 %	0,00 %	67,58 %	20,39 %
Ongoing charges (%)	2,68 %	2,68 %	2,68 %	2,68 %	2,18 %	2,68 %

## Return

	A	B	C	D	E	Nordea
3 months**	2,9 %	2,9 %	2,9 %	2,9 %	3,0 %	2,9 %
6 months	5,9 %	5,9 %	5,9 %	5,9 %	6,1 %	5,9 %
9 months	9,2 %	9,2 %	9,2 %	9,2 %	9,6 %	9,2 %
12 months	11,6 %	11,6 %	11,6 %	11,6 %	12,0 %	11,6 %
Since the beginning of operations	35,1 %	35,1 %	35,1 %	35,1 %	37,6 %	11,6 %

\*\* Return calculated from the fund's previous valuation day

## The fund's key figures

	Fund
Size of the fund (NAV, EUR)	105 222 550
Size of the fund, incl. Liabilities (GAV, EUR)	187 110 707
Number of unit holders	82 pcs
Number of real estates owned by the fund	9 pcs
LTV % (GAV)	33,5 %
Average length of rental agreements (WAULT)	6.6 years
Cash (cash in bank and in hand EUR)	31 799 211

## CapMan Nordic Property Income Fund (non-UCITS)

### Income statement (group)

	1.1.2021 - 31.12.2021	1.1.2020 - 31.12.2020
<b>1. RETURNS AND CHANGES IN VALUE</b>	<b>16 494 134,46</b>	<b>5 630 065,67</b>
a) Net income of securities	0,00	0,00
b) Net income of derivative contracts	0,00	0,00
c) Dividend income and profit shares	0,00	0,00
d) Net income of real estate	15 581 248,09	5 134 651,30
e) Net income of real estate securities	458 542,35	-683 198,62
f) Interest income	3,92	837,01
g) Other income	454 340,10	1 177 775,98
<b>2. EXPENSES</b>	<b>-4 916 936,29</b>	<b>-4 210 361,78</b>
a) Commission expenses	0,00	0,00
aa) to the Alternative Investment Fund Manager	-2 716 263,60	-1 504 403,67
ab) to the Custodian	-42 748,80	-28 416,63
b) Interest expenses	-1 071 779,02	-1 016 078,05
c) Other expenses	-1 086 144,87	-1 661 463,43
Planned depreciations	0,00	0,00
Assessed taxes		
Change of deferred tax liability	-1 887 749,38	-432 725,54
Income taxes	-615 762,63	-339 394,02
<b>Profit for the financial period</b>	<b>9 073 686,16</b>	<b>647 584,33</b>



## CapMan Nordic Property Income Fund (non-UCITS)

### Balance sheet (group)

	31.12.2021	31.12.2020
<b>Assets</b>		
1. Real estate assets to market value	147 966 215,32	142 668 123,55
2. Real estate securities to market value	5 192 491,62	4 733 949,15
3. Securities to market value	0,00	0,00
4. Sales receivables	146 715,13	615 324,25
5. Other receivables	748 396,50	1 382 468,46
6. Accrued income	177 690,99	136 112,83
7. Cash in bank and in hand	31 799 210,80	13 997 849,65
<b>TOTAL ASSETS</b>	<b>186 030 720,34</b>	<b>163 533 827,90</b>
<b>Equity and liabilities</b>		
A. FUND VALUE		
1. Fund value	103 065 081,45	89 595 292,89
B. LIABILITIES		
1. Long-term payables	67 948 334,88	67 404 199,02
2. Trade payables	97 445,11	528 853,00
3. Other payables		
a) Derivative contracts to market value	64 312,60	143 024,94
b) Advance payments	592 394,38	531 682,22
c) Others	13 585 102,95	3 742 005,38
4. Accruals	678 048,97	1 588 770,44
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>186 030 720,34</b>	<b>163 533 827,89</b>

## CapMan Nordic Property Income Fund (non-UCITS)

### Income statement (parent company)

	1.1.2021 - 31.12.2021	1.1.2020 - 31.12.2020
<b>1. RETURNS AND CHANGES IN VALUE</b>	<b>12 459 450,49</b>	<b>3 378 813,68</b>
a) Net income of securities	0,00	0,00
b) Net income of derivative contracts	0,00	0,00
c) Dividend income and profit shares	1 600 000,00	0,00
d) Net income of real estate	0,00	0,00
e) Net income of real estate securities	8 023 288,42	318 694,35
f) Interest income	2 490 133,66	2 333 428,81
g) Other income	346 028,41	726 690,52
<b>2. EXPENSES</b>	<b>-3 522 068,56</b>	<b>-2 451 934,96</b>
a) Commission expenses	0,00	0,00
aa) to the Alternative Investment Fund Manager	-2 716 263,60	-1 504 403,67
ab) to the Custodian	-42 748,80	-28 416,63
b) Interest expenses	-97 262,96	-101 537,83
c) Other expenses	-665 793,20	-817 576,83
Planned depreciations	0,00	0,00
Assessed taxes		
Change of deferred tax liability	0,00	0,00
Income taxes	0,00	0,00
<b>Profit for the financial period</b>	<b>8 937 381,93</b>	<b>926 878,72</b>

## CapMan Nordic Property Income Fund (non-UCITS)

### Balance sheet (parent company)

	31.12.2021	31.12.2020
<b>Assets</b>		
1. Real estate assets to market value	0,00	0,00
2. Real estate securities to market value	49 462 103,34	44 035 290,24
3. Securities to market value	0,00	0,00
4. Sales receivables	0,00	0,00
5. Other receivables	48 042 505,21	45 913 306,27
6. Accrued income	0,00	0,00
7. Cash in bank and in hand	23 522 224,74	8 234 965,91
<b>TOTAL ASSETS</b>	<b>121 026 833,29</b>	<b>98 183 562,42</b>
<b>Equity and liabilities</b>		
A. FUND VALUE		
1. Fund value	103 065 081,04	89 595 292,94
B. LIABILITIES		
1. Long-term payables	5 310 000,00	5 310 000,00
2. Trade payables	0,00	403 039,98
3. Other payables		
a) Derivative contract amortisations	0,00	0,00
b) Advance payments	0,00	0,00
c) Others	12 539 306,69	2 827 892,00
4. Accruals	112 445,56	47 337,50
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>121 026 833,29</b>	<b>98 183 562,42</b>

## **Notes concerning the financial statement's compilation**

This financial statement has been compiled in accordance with the Ministry of Finance's decree number 231/2014 (Ministry of Finance's decree on the format of the income statement and balance sheet included in the financial statement of a management company, mutual investment fund and alternative investment fund, the annual report attached to the financial statement and the bi-annual review of a mutual fund) and it follows the regulations concerning valuation in fund rules. The real estate as well as the real estate securities traded elsewhere than on regulated market or in a multilateral trading facility will be valued to their market value quarterly by a real estate evaluator approved by the Finnish Chamber of Commerce (Jones Lang LaSalle), adhering to good real estate evaluation practices.

The fund's other receivables and liabilities have been valued to the market value valid at the time the financial statement was compiled. The derivatives have been valued at market value.

Certain annual report's information defined in the decree 231/2014 has been reported as a part of the financial statement's notes.

## **Extent and calculation principles of the consolidated financial statements**

The group has followed consistent valuation and entry principles. Insofar as the valuation and entry principles of a subsidiary have deviated from group practices, the necessary adjustments have been made in consolidation in accordance with the principle of materiality.

More detailed information on the group's companies and associated companies are provided below under the section 'Group companies'. The financial statements of subsidiaries have been converted in connection with consolidation to reflect the income statement and balance sheet format used by the parent company. The financial statements of subsidiaries have been consolidated line by line. Internal ownership has been eliminated using the acquisition cost method. The group's intracompany transactions, receivables and liabilities have been eliminated.

The group's deferred taxes have been recorded from the difference between tax values and market values, in accordance with the IAS 12 standard. All the group's deferred tax liabilities have been recorded in the balance statement's long-term liabilities.

The company is part of the CapMan Nordic Property Income Fund (non-UCITS) group.  
The company's legal domicile is Helsinki.

A copy of the group's financial statement can be ordered from:  
CapMan Nordic Property Income Fund (non-UCITS)  
P.O. Box 210, 40101 Jyväskylä

# CapMan Nordic Property Income Fund (non-UCITS)

	Group 31.12.2021	Group 31.12.2020	Parent company 31.12.2021	Parent company 31.12.2020
<b>Dividend income and profit shares</b>				
Dividend income and profit shares	0,00	0,00	1 600 000,00	0,00
	0,00	0,00	1 600 000,00	0,00
<b>Net income of real estate</b>				
Increases and decreases of the market value	5 878 725,14	-1 890 126,16	0,00	0,00
Returns	11 249 539,97	8 325 405,99	0,00	0,00
Expenses	-1 547 017,02	-1 300 628,53	0,00	0,00
	15 581 248,09	5 134 651,30	0,00	0,00
<b>Net income of real estate securities</b>				
Increases and decreases of the market value	458 542,35	-683 198,62	7 266 369,57	-135 939,80
Returns	0,00	0,00	842 704,31	523 960,17
Expenses	0,00	0,00	-85 785,46	-69 326,02
	458 542,35	-683 198,62	8 023 288,42	318 694,35
<b>Interest income</b>				
Interest income tax account	3,92	837,01	3,78	488,87
Other interest and financing revenue, group	0,00	0,00	2 490 129,88	2 332 939,94
	3,92	837,01	2 490 133,66	2 333 428,81
<b>Other income</b>				
Subscription fees	316 120,59	200 634,98	316 120,59	200 634,98
Other income	117 950,92	18 558,64	11 202,18	7 157,23
Unrealised currency exchange gains	5 989,11	946 248,20	4 426,16	506 564,15
Realised currency exchange gains	14 279,48	12 334,16	14 279,48	12 334,16
	454 340,10	1 177 775,98	346 028,41	726 690,52
<b>Interest costs</b>				
Interest costs, bank loans	-978 046,77	-939 163,75	-89 076,02	-89 075,25
Interest costs, tax account	-68 613,00	-60 017,03	-973,22	-4 012,19
Other interest costs	-25 119,24	-16 897,27	-7 213,72	-8 450,39
	-1 071 779,02	-1 016 078,05	-97 262,96	-101 537,83
<b>Other expenses</b>				
Loan transaction costs	-171 078,24	-157 855,90	-112 498,27	-108 401,74
Realised exchange losses	-26 047,85	-20 954,89	-26 047,85	-20 954,89
Unrealised exchange losses	-18 154,47	-763 703,99	-12 487,84	-355 992,68
Other financing costs	-265,16	-120 968,19	0,00	0,00
Owner's expenses	-870 599,15	-597 980,46	-514 759,24	-332 227,52
	-1 086 144,87	-1 661 463,43	-665 793,20	-817 576,83
<b>Taxes</b>				
Change of deferred tax liability	-1 887 749,38	-432 725,54	0,00	0,00
Income taxes	-615 762,63	-339 394,02	0,00	0,00
	-2 503 512,01	-772 119,56	0,00	0,00

## CapMan Nordic Property Income Fund (non-UCITS)

### Other receivables

Loans receivable long-term, group	0,00	0,00	44 598 028,64	44 718 491,40
Other long-term receivables	301 718,82	405 272,98	196 280,99	308 779,26
Current interest receivables, group	0,00	0,00	3 230 807,05	748 377,31
Other receivables	593 392,80	1 592 519,33	17 388,53	137 658,30
	895 111,62	1 997 792,31	48 042 505,21	45 913 306,27

### Accrued income

Accrued income	771,96	563,94	0,00	0,00
Advance payments	176 919,03	135 548,89	0,00	0,00
	177 690,99	136 112,83	0,00	0,00

### Long-term payables

Liabilities to credit institutions	62 678 309,05	62 850 311,85	5 310 000,00	5 310 000,00
Rental deposit	1 001 889,73	963 129,16	0,00	0,00
Advance payments	-380,31	1 187 794,22	0,00	0,00
Deferred tax liabilities	4 191 835,73	2 324 632,47	0,00	0,00
Other payables	76 680,68	78 331,32	0,00	0,00
	67 948 334,88	67 404 199,02	5 310 000,00	5 310 000,00

### Trade payables

Trade payables, group	0,00	0,00	0,00	0,00
Trade payables	97 445,11	528 853,00	0,00	403 039,98
	97 445,11	528 853,00	0,00	403 039,98

### Advance payments

Advance payments	592 394,38	531 682,22	0,00	0,00
	592 394,38	531 682,22	0,00	0,00

### Other payables

Liabilities to credit institutions	0,00	0,00	0,00	0,00
Interest-bearing liabilities to financial institutions	16 284,43	9 063,77	487,21	243,08
Subscription liabilities	11 593 140,00	2 170 321,31	11 593 140,00	2 170 321,31
Other payables	1 975 678,52	1 562 620,31	945 679,48	657 327,61
	13 585 102,95	3 742 005,38	12 539 306,69	2 827 892,00

### Accruals

Accruals	678 048,97	1 588 770,44	112 445,56	47 337,50
	678 048,97	1 588 770,44	112 445,56	47 337,50

	Group 31 Dec 2021	Group 31 Dec 2020	Parent company 31 Dec 2021	Parent company 31 Dec 2020
<b>Net income of real estate and real estate securities</b>				
Property rental operations	11 249 539,97	8 325 405,99	0,00	0,00
Rental income from real estate securities	0,00	0,00	842 704,31	523 960,17
Maintenance charges, real estate	0,00	0,00	-85 785,46	-69 326,02
Other expenses	-1 547 017,02	-1 300 628,53	0,00	0,00
Unrealised changes in value, net	6 337 267,49	-2 573 324,78	7 266 369,57	-135 939,80
Total	16 039 790,44	4 451 452,68	8 023 288,42	318 694,35

### Net income of derivative contracts

Interest-linked items				
Profit	0,00	714,00	0,00	0,00
Loss	-25 119,24	-16 183,27	0,00	0,00
Unrealised changes in value, net	104 799,55	-112 197,64	0,00	0,00
Total	79 680,30	-127 666,92	0,00	0,00

## CapMan Nordic Property Income Fund (non-UCITS)

	2021	2020
<b>Trading expenses related to the mutual fund investments</b>	-109 171	184 789
<b>Distributed and reinvested returns</b>	2 499 996	2 999 996
<b>Fees paid to the custodian</b>	42 749	28 417
<b>Management fee paid to the Alternative Investment Fund Manager</b>	1 634 329	1 504 404
<b>Performance-based fee paid to the Alternative Investment Fund Manager</b>	1 081 934	0

### Salaries and emoluments paid to the personnel of the Alternative Investment Fund Manager

CapMan AIFM Oy acted as Fund's alternative investment fund manager, which had during year 2021 paid remuneration to 6 persons total amount of 1 192 113 euros. From the total amount, the fixed remuneration was 1 054 673 euros and variable remuneration 137 440 euros. CapMan Group is not publishing more specified remuneration information by personnel groups, as some of the personnel groups consist of below five persons (ESMA's GPDR instructions).

	2021	2020
Fund value at the beginning of the financial period	89 595 292,89	78 105 015,88
Subscriptions of fund units	20 143 425,39	18 590 930,81
Redemptions of fund units	-13 111 022,70	-5 027 536,27
Profit distribution	-2 499 996,10	-2 999 996,25
Profit/loss of the financial period	8 937 381,93	926 878,72
Fund value at the end of the financial period	<u>103 065 081,41</u>	<u>89 595 292,89</u>
Fund value attributable to fund shares	103 065 081,41	89 595 292,89

### Calculation of the profit distribution under the fund rules

	2021	2020
Profit of group for the financial period	9 073 686,16	647 584,33
Securities' and derivatives' unrealised changes in value, net	104 799,55	-112 197,64
Unrealised changes in value of Real Estate, net	6 337 267,49	-2 573 324,78
Realised return	<u>2 631 619,12</u>	<u>3 333 106,75</u>
Minimum distribution to unit holders (75%)	1 973 714,34	2 499 830,06

Minimum distributable profit is calculated based on profit of group, since group profit is considered to better reflect the cash flow of the Fund.

# CapMan Nordic Property Income Fund (non-UCITS)

## FUND ASSETS

### Investments

Market value	31.12.2021	31.12.2020
<b>Real estate assets EUR</b>		
Hotel	30 540 927	30 636 420
Industrial/Logistics	44 674 526	43 326 004
Office	55 000 000	53 600 000
Residential	17 750 763	15 105 700
<b>Other securities</b>	<b>31.12.2021</b>	<b>31.12.2020</b>
<b>Fund units</b>		
CapMan Hotels II FCP-RAIF	5 192 492	4 733 949
<b>Total</b>	<b><u>153 158 707</u></b>	<b><u>147 402 073</u></b>

There is material uncertainty to valuations of real estate assets due to the ongoing Covid-19 pandemic.

### Fund holdings

Real Estate acquired during the period	Debt-free purchase price EUR	Fund ownership %	Location	Rentable area m <sup>2</sup>	Occupancy %
<b>Real Estate acquired earlier</b>					
Koy Espoon Porarinkatu / Hotel		100 %	Finland	3 761	100 %
Tonsbakken 12 / Logistics / Office		100 %	Denmark	12 610	24 %
Stamholmen Varasto / Office		100 %	Denmark	13 824	100 %
Particentralen 8 / Hotel / Other		100 %	Sweden	5 211	96 %
CapMan Hotels RE Ky portfolio		1,5 %	-	-	-
Kryddpepparn HoldCo AB Industrial/Logistics		100 %	Sweden	8 159	100 %
Koy Quartetton Cello / Office		100 %	Finland	5 245	98 %
Koy Plaza Business Park Halo / Office		100 %	Finland	5 844	91 %
Koy Helsingin Osmontie 38 / Office		100 %	Finland	3 582	77 %
Søllerødgade 15-19 / Asuintalo		100 %	Denmark	2 533	100 %

### Commitments and contingent liabilities EUR

Financial loans with security	62 764 101
Mortgages given	74 868 035
Bank accounts and rents receivable	31 945 926

There are financial covenants tied to the secured debt. The agreed covenants relate to solidity and ability to cover the groups interest payments. A breach of covenants could lead to increased financing costs or termination of loan agreements. The fulfillment of covenants is monitored regularly and none of them have been breached.

**Auditor's commission, EUR** 56 744



# CapMan Nordic Property Income Fund (non-UCITS)

## Leverage calculation

According to the Commission Delegated Regulation No 231/2013, leverage of an AIF shall be expressed as the ratio between the exposure of an AIF and its net asset value. The exposure shall be calculated in accordance with the gross method and the commitment method, as defined in the Regulation.

The exposure of an AIF calculated in accordance with the gross method shall be the sum of the absolute values of all positions valued in accordance with Article 19 of Directive 2011/61/EU and all delegated acts adopted pursuant to it. Cash and other highly liquid investments are excluded from the calculation.

The exposure of an AIF calculated in accordance with the commitment method shall be the sum of the absolute values of all positions valued in accordance with Article 19 of Directive 2011/61/EU and its corresponding delegated acts, but applying netting and hedging arrangements.

According to the Fund Rules, the maximum amount of borrowing is defined as a share of the total assets of the Fund (GAV).

	Calculated according to the Fund Rules	Gross method	Commitment method
Leverage of the fund 31 December 2021	34 %	148 %	178 %
Maximum amount of borrowing according to the Fund Rules	50 %		
Maximum amount of borrowing according to the Fund Rules for a specific reason	83 %		

## Sustainable Finance Disclosure Regulation (SFDR)

During the financial period of 2021, the Fund was classified as an Article 6 fund according to the EU's Sustainable Finance Disclosure Regulation, SFDR (EU 2019/2088) meaning that the Fund does not take into account the EU criteria for environmentally sustainable economic activities. However, during the financial period, the Fund has engaged in actions to promote compliance with the conditions set out in Article 8 of SFDR.

# CapMan Nordic Property Income Fund (non-UCITS)

Parent company	Other investments		Total
	Shares in subsidiaries	total	
Acquisition cost 1 Jan	39 301 341,09	4 733 949,15	44 035 290,24
Additions	4 968 270,75	458 542,35	5 426 813,10
<b>Book value as of 31 Dec 2019</b>	<b>39 301 341,09</b>	<b>4 733 949,15</b>	<b>49 462 103,34</b>

Group subsidiaries	Group Parent company shareholding %	Parent company Parent company shareholding %	Stocks and shares owned by parent company	
			pcs	Book value EUR
Kiinteistö Oy Espoon Porarinkatu 1	100,0 %	100,0 %	2 500	11 882 498,90
CMNPI Holding 1 Oy	100,0 %	100,0 %	2 500	16 531 885,20
CMNPI Finland Ky	100,0 %	100,0 %	-	10 502 375,52
CMNPI Holding 2 Oy	100,0 %	100,0 %	2 500	5 352 852,22

Subgroup subsidiaries	Group shareholding %	Subgroup parent company shareholding %	pcs	Book value EUR
Particentralen 8 AB	100,00 %	100,00 %	50 000	469 045,79
Kryddpepparn HoldCo AB	100,00 %	100,00 %	1 000	2 040 753,69
Tonsbakken Holding ApS	100,00 %	100,00 %	50 001	1 028 368,04
Tonsbakken 12-14 ApS	100,00 %	100,00 %	10 187 499	8 204 368,57
Stamholmen 70 PropCo ApS	100,00 %	100,00 %	50 001	2 019 854,08
Koy Quartetton Cello	100,00 %	100,00 %	12	12 920 347,79
Koy Plaza Business Park Halo	100,00 %	100,00 %	2 500	13 125 379,03
Koy Helsingin Osmontie 38	100,00 %	100,00 %	2 500	5 591 640,82
Søllerødgade 15-19 GP Aps	100,00 %	100,00 %	40 000	5 406,11
Søllerødgade 15-19 K/S	100,00 %	100,00 %	100	2 971 594,22
CMNPI Sunrock HoldCo AB	100,00 %	100,00 %	25 000	5 570,96

## Other investments

CapMan Hotels II FCP-RAIF	<b>5 192 491,50</b>
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The group's deferred taxes	Tax rate	Deferred tax liability
Koy Espoon Porarinkatu 1	20,0 %	327 347,86
Particentralen 8 AB	21,6 %	847 953,41
Tonsbakken 12-14 ApS	22,0 %	409 669,31
Stamholmen 70 PropCo ApS	22,0 %	1 604 629,18
Kryddpepparn HoldCo AB	21,6 %	355 927,42
Kiinteistö Oy Quartetton Cello	20,0 %	20 494,18
Søllerødgade 15-19 K/S	22,0 %	625 814,37
<b>Total</b>		<b>4 191 835,73</b>

## Derivative contracts EUR

Interest rate swap contracts	Started on	Ending	Nominal value	Market value
Tonsbakken Holding ApS	27/08/2018	23/08/2023	4 992 107,68	-41 852,34
Tonsbakken Holding ApS	03/09/2019	23/08/2023	3 776 992,84	10 637,10
Stamholmen 70 PropCo ApS	03/09/2019	23/08/2023	4 850 219,73	13 659,62
Particentralen 8 AB	27/08/2018	23/08/2023	4 381 636,89	-22 460,26
Particentralen 8 AB	03/09/2019	23/08/2023	3 600 982,73	8 267,94
Kryddpepparn HoldCo AB	03/09/2019	23/08/2023	2 690 770,66	6 178,07
CMNPI Finland Ky	03/09/2019	23/08/2023	24 502 500,00	30 369,97
				<b>4 800,10</b>

## CapMan Nordic Property Income Fund (non-UCITS)

### LIST OF ACCOUNTING BOOKS USED

#### Unit4 Business World 7.3

Diary	electronically in the Unit4 system
General ledger	electronically in the Unit4 system
Income statement	electronically in the Unit4 system
Balance sheet	electronically in the Unit4 system

Financial statement and  
balance sheet specifications separately bound/electronically

#### Receipt types:

Purchase invoices	electronically in the Unit4 system
Purchase payments	electronically in the Unit4 system
Sales invoices	electronically in the Unit4 system
Sales payments	electronically in the Unit4 system
Memo vouchers	electronically in the Unit4 system
Bank receipts	electronically in the Unit4 system/as paper receipts
Receipts of notes	electronically/as paper receipts

#### Archival:

Accounting records are stored in compliance with the provisions of Chapter 2, Section 10 of the Accounting Act.

## Signatures to the financial statements and the annual report

In Helsinki \_\_\_\_\_ 2022

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Tiina Halmesmäki  
CapMan Nordic Property Income Fund (non-UCITS) with its representative  
Alternative Investment Fund Manager CapMan AIFM Oy

### Auditor's note

A report has today been issued about the audit performed.

Helsinki \_\_\_\_\_ / \_\_\_\_\_ 2022

Ernst & Young  
Auditing company

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Ulla Nykky  
Authorised Public Accountant

**Note! This is an unofficial translation of the Financial Statements and will not be signed.**

**A copy of the original document in Finnish can be ordered from:**

CapMan Nordic Property Income Fund (non-UCITS)  
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