

Cityvarasto Plc

Consolidated Financial Statements

1 January - 31 December 2024 and 1 January - 31 December 2023

Domicile	Helsinki
Company code	1561027-4
Address	Vetokuja 4, 01610 Vantaa

CONTENTS

Key Figures

Consolidated financial statements (IFRS)

Consolidated Statement of Comprehensive Income

Consolidated Statement of Financial Position

Consolidated Statement of Changes in Equity

Consolidated Statement of Cash Flows

Notes to the consolidated financial statements

1. General Information

1.1. Corporate information

1.2 Basis of preparation

1.3 Accounting Estimates and Judgements applied in preparation of the financial statements

1.4 Standard Issued but not yet effective

2. First Time Adoption of IFRS Standards

2.1. IFRS impact: Statement of Financial Position 31.12.2024, 31.12.2023 and Opening balance sheet 1.1.2023

2.2. IFRS impact: Consolidated Statement of Profit and Loss and Other Comprehensive Income 1.1.-31.12.2024 and 1.1.-31.12.2023

2.3. Transition Effect of IFRS

3. Group Performance

3.1 Revenue

3.2 Other Operating income

3.3 Material and services

3.4 Employee Benefit Expenses

3.5 Other Operating Expenses

3.6 Depreciation, amortisation and impairment

3.7 Earnings per share

3.8 Income Tax

4. Net Working Capital

4.1 Trade and Other Receivables

4.2 Trade and Other Payables

4.3 Inventories

5. Capital Management and Net debt

5.1 Cash and cash equivalents

5.2 Equity

5.3 Finance Income and Expenses

5.4. Borrowings and lease liabilities

5.5 Financial assets and liabilities

5.6 Financial risk management

5.7 Capital management

5.8 Contingent liabilities and other commitments

5.9 Segment information

5.10 Investment properties

6. Other notes

6.1 Impairment Testing

6.2 Intangible Assets

6.3 Property, plant and equipment

6.4 Related party transactions

6.5 Subsequent events

Signatures to the Financial Statements

Auditor's Report

Key Figures

EUR thousand	2024	2023
Revenue	22,410	18,461
Change in net sales, %	21.4 %	10.6 %
Real estate revenue	16,804	14,741
Ancillary services revenue	5,606	3,720
EBITDA	10,023	7,660
EBITDA margin	44.7 %	41.5 %
Adjusted EBITDA	10,080	7,706
Adjusted EBITDA margin	45.0 %	41.7 %
Operating profit	67,014	9,804
Operating profit margin	299.0 %	53.1 %
Result for the period	51,607	6,192
Fair value changes in Investment Properties	59,482	4,409
Value of owned Investment Properties	194,100	126,230
Equity ratio -%	60.5 %	55.7 %
Return on Equity (ROE), %	48.7 %	8.0 %
Return on Investment (ROI), %	45.3 %	8.7 %
Total assets	217,350	144,516
Net debt	51,758	43,773
Equity	131,467	80,494
Loan-to-Value ratio	23.8 %	29.8 %
Investments	-14,651	-9,864
Average employees at the end of the period, count	58	59
Current lettable area (in thousands m2), total ⁽¹⁾	119,000	112,000
Current lettable area (in thousands m2), self storage	58,000	54,000
Current lettable area (in thousands m2), business premises	57,000	55,000
Self storage occupancy rate, m2 (%), closing	76%	70%
Business premises occupancy rate, m2 (%), closing	83%	81%
Averages self storage rent, eur/m2/month, closing ⁽²⁾	25.4	24.2
Average business premises rent, eur/m2/month, closing ⁽³⁾	9.5	9.8
Number of facilities/properties	68	61
Number of vans	445	242
Operating profit without fair value changes	8,579	6,312
Operative earnings (result for the period without fair value changes)	4,785	3,301
Operative earnings per share	0.68	0.47
Adjusted operative earnings (result for the period without fair value changes)	4,831	3,337
Adjusted operative earnings per share	0.69	0.47
Net Asset Value	159,583	95,866
Net Asset Value per share	22.64	13.60

(1) Includes also area under construction

(2) Includes only premises that have been acquired over a year ago per closing

(3) Includes only premises that have been acquired over a year ago per closing

Calculation formulas for financial performance indicators and alternative indicators

Key figure	Calculation formula		
EBITDA	=	Operating profit +/- change in fair value of investment properties +/- change in fair value of leased investment property + depreciations, amortisation, and impairments	
EBITDA margin	=	$\frac{\text{EBITDA}}{\text{Revenue}}$	x 100%
Adjusted EBITDA	=	EBITDA + items affecting comparability	
Adjusted EBITDA margin	=	$\frac{\text{Adjusted EBITDA}}{\text{Revenue}}$	x 100%
Operating Profit margin -%	=	$\frac{\text{Operating Profit}}{\text{Revenue}}$	x 100%
Return on Investment (ROI) -%	=	$\frac{\text{Operating Profit}}{\text{Average shareholder's equity} + \text{average interest-bearing liabilities}}$	x 100%
Return on equity (ROE) -%	=	$\frac{\text{Profit for the period}}{\text{Average shareholder's equity}}$	x 100%
Equity ratio, %	=	$\frac{\text{Equity}}{\text{Balance sheet total} - \text{advances received}}$	x 100%
Net debt	=	Non-current and current interest-bearing liabilities + non-current and current lease liabilities - cash and cash equivalents	
Loan-to-Value ratio	=	$\frac{\text{Loans from financial institutions}}{\text{Freehold investment property}}$	x 100%
Operating profit without fair value changes	=	Operating profit - Change in fair value of freehold investment properties - Change in fair value of leased investment properties	
Operative earnings (result for the period without fair value changes)	=	Result for the period - Change in deferred tax liabilities - Change in fair value of freehold investment properties	
Operative earnings per share	=	$\frac{\text{Operative earnings}}{\text{Number of shares, pcs}}$	
Adjusted operative earnings (result for the period without fair value changes)	=	Operative earnings + items affecting comparability	
Adjusted operative earnings per share	=	$\frac{\text{Adjusted operative earnings}}{\text{Number of shares, pcs}}$	
Net Asset Value	=	Equity + Deferred tax liabilities related to freehold investment properties	
Net Asset Value per share	=	$\frac{\text{Equity} + \text{Deferred tax liabilities related to freehold investment properties}}{\text{Number of shares, pcs}}$	

Consolidated statement of comprehensive income (IFRS)

EUR thousand	Note	1.1.-31.12.2024	1.1.-31.12.2023
Revenue	3.1	22,410	18,461
Other operating income	3.2	12	20
Materials and services	3.3	-259	-262
Employee benefit expenses	3.4	-2,988	-2,930
Other operating expenses	3.5	-9,152	-7,629
EBITDA		10,023	7,660
Change in fair value of freehold investment properties	5.10	59,482	4,409
Change in fair value of leased investment property	5.10	-1,047	-917
Depreciation, amortisation and impairment	3.6	-1,443	-1,348
Operating profit		67,014	9,804
Finance income	5.3	105	154
Finance expenses	5.3	-2,852	-2,249
Finance income and expenses total	5.3	-2,747	-2,095
Result before taxes		64,267	7,709
Deferred tax expense	3.8	-12,660	-1,517
RESULT FOR THE PERIOD		51,607	6,192
Total comprehensive income for the period		51,607	6,192
Earnings per share			
Basic		7.32	0.88
Diluted		7.32	0.88

Consolidated balance sheet (IFRS)

EUR thousand	Note	31-Dec-24	31-Dec-23	1-Jan-23
ASSETS				
Non-current assets				
Goodwill	6.2	342	342	303
Intangible assets	6.2	988	770	669
Tangible assets	6.3	9,938	5,337	3,982
Freehold investment properties	5.10	194,100	126,230	113,800
Leased investment properties	5.10	7,767	8,382	8,067
Other non-current assets	5.5	37	59	1,060
Deferred tax assets	3.8	382	221	78
Total non-current assets		213,554	141,340	127,959
Current assets				
Inventories	4.3	15	15	15
Trade and other receivables	4.1	1,621	1,201	1,066
Cash and cash equivalents	5.1	2,161	1,961	3,984
Total current assets		3,797	3,177	5,064
TOTAL ASSETS		217,350	144,516	133,024
EQUITY AND LIABILITIES				
Equity attributable to owners of the parent company				
Share capital	5.2	80	80	80
Reserve for invested non-restricted equity	5.2	17,148	17,148	17,148
Retained earnings	5.2	114,239	63,266	57,638
Total equity		131,467	80,494	74,866
Non-current liabilities				
Non-current interest-bearing liabilities	5.4	40,559	34,051	28,576
Non-current lease liabilities	5.4	6,947	7,372	7,206
Deferred tax liabilities	3.8	28,490	15,668	14,009
Total non-current liabilities		75,996	57,091	49,792
Current liabilities				
Current interest-bearing liabilities	5.4	5,548	3,519	5,147
Current lease liabilities	5.4	864	792	705
Trade and other payables	4.2	3,474	2,620	2,513
Total current liabilities		9,887	6,931	8,366
TOTAL LIABILITIES		85,883	64,022	58,158
TOTAL EQUITY AND LIABILITIES		217,350	144,516	133,024

Notes form an integral part of the consolidated financial statements.

Consolidated statement of cash flows (IFRS)

EUR thousand	1.1.-31.12.2024	1.1.-31.12.2023
Cash flows from operating activities		
Result for the period	51,607	6,192
Adjustments for profit:		
Depreciation and amortisation	1,443	1,348
Finance income and expenses	2,747	2,095
Changes in the fair values of investment properties	-58,435	-3,492
Income taxes	12,661	1,516
Other non-cash flow adjustments	19	-226
Total adjustments	-41,565	1,240
Cash flows from operating activities before working capital adjustments	10,043	7,433
Changes in working capital:		
Increase (-) / decrease (+) in trade and other receivables	-397	-134
Increases (-)/ decreases (+) to inventories	0	0
Increases (-)/ decreases (+) to current payables	854	107
Total changes in working capital	456	-27
Interest paid	-2,852	-2,249
Interest received	105	154
Net cash flows from operating activities	7,752	5,311
Cash flows used in investing activities		
Repayment of investments	0	1,000
Investments in investment properties	-8,388	-8,021
Investments in tangible and intangible assets	-6,263	-2,842
Net cash flows from investing activities	-14,651	-9,864
Cash flows from financing activities		
Proceeds from financial institution borrowings	12,926	8,822
Repayment of financial institution borrowings	-4,389	-4,976
Repayment of lease liabilities	-804	-752
Dividend paid	-634	-564
Net cash flows from financing activities	7,099	2,530
Net increase in cash and cash equivalents	200	-2,023
Cash and cash equivalents at 1 January	1,961	3,984
Cash and cash equivalents at 31 December	2,161	1,961

The notes form an integral part of the consolidated financial statements.

Consolidated statement of changes in equity (IFRS)

EUR thousand	Share capital	Fund for invested non-restricted equity	Retained earnings	Total equity
Equity on 1.1.2024	80	17,148	63,266	80,494
Comprehensive income				
Profit (loss) for the period			51,607	51,607
Other comprehensive income				-
Total comprehensive income	-	-	51,607	51,607
Transactions with owners:				
Share issue	-	-	-	-
Purchase of own shares	-	-	-	-
Dividends			(634)	(634)
Transactions with owners total	-	-	(634)	(634)
Equity on 31.12.2024	80	17,148	114,239	131,467

Note 5.2 describes changes in equity.

EUR thousand	Share capital	Fund for invested non-restricted equity	Retained earnings	Total equity attributable to owners of the parent company
Equity 1 January 2023 FAS	80	17,148	56,988	74,216
Effects of IFRS conversion*	-	-	650	650
Equity 1 January 2023 IFRS	80	17,148	57,638	74,866
Comprehensive income				
Profit (loss) for the period	-	-	6,192	6,192
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	6,192	6,192
Transactions with owners:				
Share issue	-	-	-	-
Dividends			(564)	(564)
Other items			-	-
Transactions with owners total	-	-	(564)	(564)
Equity on 31.12.2023	80	17,148	63,266	80,494

* Note 2 provides more detailed information on the adoption of IFRS standards.

The notes form an integral part of the consolidated financial statements.

1.1. Corporate information

Corporate information

Cityvarasto Plc ("the company", "parent company" or "Cityvarasto") and its subsidiaries (collectively referred to as "the group") is a Finnish public limited liability company located in Helsinki, Finland with a business ID 1561027-4. Cityvarasto group Oy, is the Group's ultimate parent company with business ID 2572266-7, is a limited liability company incorporated and domiciled in Finland. Cityvarasto primarily offers self-storage solutions throughout Finland. In addition to self-storage solutions, the company offers packaging supplies, shipping and receiving services, and rents office premises and business center services to its customers. The group includes 100% owned PakuOvelle.com Oy and Suomen Opiskelijamuutot Oy. Pakuovelle.com offers self-driven van rentals via online store. Suomen Opiskelijamuutot offers moving services.

These consolidated financial statements for the financial year ended 31 December 2024 have been prepared solely for the purpose of inclusion in the Prospectus pursuant to Prospectus Regulation (EU) 2017/1129 and Commission Delegated Regulation (EU) 2019/980 prepared in connection with the listing of Cityvarasto Plc and the offering of the company's shares to the public and the listing of the shares on Nasdaq First North Growth Market Finland multilateral marketplace maintained by Nasdaq Helsinki Ltd, and cannot be used for any other purposes. These consolidated financial statements are not the company's statutory financial statements, nor do they include the report of the Board of Directors or the parent company's financial statements, nor have they been approved by the company's Annual General Meeting.

The Board of Directors of Cityvarasto Plc approved these consolidated financial statements for issue in its meeting on 25.8.2025. A copy of the consolidated financial statements is available at the Group's website www.cityvarasto.fi.

Group information

The consolidated financial statements of the Group include the subsidiaries and associated companies specified below. More information on the consolidation principles is presented in Note 1.2 Basis of preparation.

Name	Country of incorporation	% equity interest		
		31.12.2024	31.12.2023	1.1.2023
Cityvarasto Oü	Estonia	100,0%	100,0%	100,0%
Kiinteistö Oy Olavinkatu 45	Finland	100,0%	100,0%	100,0%
Pakuovelle.com Oy	Finland	100,0%	100,0%	100,0%
Kiinteistö Oy Oulun Jääsalontie 12	Finland	100,0%	0,0%	0,0%
Suomen Opiskelijamuutot Oy	Finland	100,0%	100,0%	100,0%
Suomen Banaanilaatikat Oy	Finland	100,0%	0,0%	0,0%
Kiinteistö Oy Malmin Yritystalo Oy	Finland	100,0%	0,0%	0,0%
Kiinteistö Oy Veneentekijäntie 16	Finland	100,0%	0,0%	0,0%
Varastosta Oy	Finland	100,0%	100,0%	0,0%
Puupeukalo Oy	Finland	Merged	100,0%	0,0%
Viitoskallio Oy	Finland	Merged	Merged	100,0%
Kiinteistö Oy Kuusankosken Kauppakulma	Finland	Merged	Merged	100,0%
Autokaupoille.com Oy	Finland	Merged	Merged	100,0%

1.2. Basis of preparation

Basis of preparation and Adoption of IFRS

The consolidated financial statements of Cityvarasto for the year ended 31 December 2024 have been prepared in accordance with the International Financial Reporting Standards (IFRS) and IFRIC Interpretations as adopted by the European Union applicable as of 31 December 2024. The notes to the consolidated financial statements also comply with the supplementing requirements of the Finnish accounting and company legislation.

Cityvarasto's financial statements as of 31.12.2024 are the Group's first financial statements prepared in accordance with IFRS. Cityvarasto will also publish its consolidated financial statement for the financial year ended 31.12.2024 in accordance with Finnish GAAP. The company's previous consolidated financial statements up to 31.12.2023 have been prepared in accordance with the Finnish Generally Accepted Accounting Principles ("FAS"). The financial statements include financial information for the financial period 1.1.-31.12.2024 and comparison year information for the financial period 1.1.-31.12.2023. The opening balance sheet in accordance with IFRS has been prepared as of 1.1.2023, which is the date of transition to the Group's IFRS. Refer to Note 2 for information on how the Group adopted IFRS.

The consolidated financial statements have been prepared under the historical cost convention, except for Investment properties, financial assets and financial liabilities that are valued at fair value through profit and loss or other comprehensive income.

Unless otherwise stated, the figures in the consolidated financial statements have been rounded and consequently the sum of individual figures may deviate from the sum presented.

Principles for Consolidation

In addition to the parent company, the consolidated financial statements include all companies which Cityvarasto Plc controls directly or indirectly (subsidiaries). Cityvarasto Plc controls the company when it is exposed to the variable return of the investee or is entitled to its variable return and is able to influence the amount of return received by exercising its power over the investee. The companies acquired during the financial year have been consolidated from the date of their acquisition and the consolidation will cease when Cityvarasto loses control of the company. If necessary, the financial statements of subsidiaries are restated to correspond to the accounting policies of the Group. All intra-group transactions, receivables and liabilities, as well as income and expenses from transactions between Group companies, are eliminated as part of the consolidation process.

Mutual real estate companies, in which the ownership of Cityvarasto is less than 100%, are treated as joint operations in accordance with IFRS 11 Joint Arrangements. The Group recognizes its assets and liabilities in relation to its joint operations, including its share of any assets held and liabilities incurred jointly. In addition, the Group recognizes its revenue and expenses in relation to its joint operations, including its share of revenue of the joint operation and expenses incurred jointly. The consolidation method described above applies to all joint operations of this kind.

Business and asset acquisitions

IFRS 3 Business Combinations is applied to business acquisitions, whereby the acquisition cost is allocated to the acquired assets, liabilities and contingent liabilities at their fair value. Goodwill arises when the given consideration exceeds the fair value of the acquired net assets. Deferred tax liability or deferred tax asset is recognized according to IAS 12 when the acquisition is a business acquisition.

IAS 40 is applied to investment property asset acquisitions which do not constitute business and are not in the scope IFRS 3. Other asset acquisitions (such as vans) are accounted based on the relevant IFRS standard. According to IAS 40 no deferred tax asset or liability is booked on the initial recognition of the asset.

Segment Reporting

Management has defined the Group's reportable segments based on the reporting regularly presented to the CEO of the Group. This reporting forms the basis for the CEO's strategic and operative decisions to allocate resources and for assessing performance of the segments. The primary measures of performance are revenue and EBITDA. The CEO also receives information about segments Operating profit on a recurring basis. Reportable segments comprise of two separate divisions Real Estate (self-storage including services and rentals for other premises), and Ancillary Business (van rentals and moving services). Refer note 3.1 Revenue from contracts with customers and 5.10 Segment information for more details.

Currencies and foreign operations

The consolidated financial statements are presented in euros, which is both the functional currency of the environment in which the Group's parent operates and the presentation currency. The group does not have transactions outside the euro zone.

Other significant accounting policies

Cityvarasto describes other significant accounting policies in conjunction with the relevant disclosure information in their respective notes.

1.3. Accounting estimates and judgements applied in the preparation of the financial statements

The preparation of IFRS consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities existing at the balance sheet date, as well as the reported amounts of revenue and expenses during the reporting period.

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. However, the actual results and timing may differ from these estimates.

The table below lists the areas where management's accounting estimates and judgements are most critical to reported results and financial position; as well as where to find more information on the areas of critical accounting estimates and judgements.

Key estimates and judgements	Notes	Judgement	Estimate
Valuation of investment properties	5.10	x	x
Valuation of Goodwill	6.1	x	x
Deferred taxes	3.8	x	x

1.4 New Standards issued but not yet effective

Cityvarasto adopts the new and amended standards and interpretations, if applicable, when they become effective. The new and amended standards that become effective of 1 January 2025 or later are not expected to have significant impact on Cityvarasto's consolidated financial statements except for IFRS 18.

The following new and amended standards have been issued and become effective on 1 January 2025 or later. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Lack of exchangeability – Amendments to IAS 21

In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 January 2025, with earlier application permitted. An entity is not permitted to apply the amendments retrospectively. Instead, an entity is required to apply the specific transition provisions included in the amendments.

The amendments are not expected to have a material impact on the Group's financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

Cityvarasto's Management anticipates that the application of these amendments may have an impact on the group's consolidated financial statements in future periods.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

As the Group's equity instruments are publicly traded, it is not eligible to elect to apply IFRS 19.

2 First-time adoption of IFRS standards

Cityvarasto's financial statements, for the year ended 31 December 2024, are the first the Group has prepared in accordance with IFRS. The transition date to IFRS is 1 January 2023. The consolidated financial statements as of 31 December 2024 include comparative information for the financial year ended 31 December 2023. The company's previous consolidated financial statements up to 31 December 2023 have been prepared in accordance with the Finnish Generally Accepted Accounting Principles ("FAS"). In addition to the IFRS financial statements, the official financial statements for the year 2024 have also been prepared under FAS.

Cityvarasto's consolidated financial statements prepared in accordance with IFRS include financial information for the financial period 1.1.-31.12.2024 and comparison year information for the financial period 1.1.-31.12.2023. An additional opening balance sheet is presented in the consolidated financial statements as of 1.1.2023 due to the first time adoption of IFRS financial statements.

Exemptions under IFRS 1 have been applied to leases and business combinations.

The first time adoption of IFRS presents the impact of the transition to IFRS on the Group's reported financial position and financial performance. The effects of the adoption of IFRS accounting policies with the most significant impact on the income statement and balance sheet are presented below on the transition date 1.1.2023 and in the comparison period 31.12.2023 and in the income statement for the financial year 1.1.-31.12.2023. The most significant impacts are related to the leased investment properties and depreciations.

2. First-time adoption of IFRS standards

2.1. IFRS impact: Statement of Financial Position 31.12.2024, 31.12.2023 and Opening balance sheet 1.1.2023

Opening consolidated statement of financial position 1.1.2023

EUR thousand	Local GAAP	1. IFRS 16 - Leases	2. IFRS 9 - ECL	3. IFRS 9 - FV step-up and reclassification	4. IFRS 9 - EIR	5. IFRS 3 - Goodwill amortization reversal	6. IFRS 3 - Asset Deals	7. IAS 38 / IAS 16 - Reclassification	8. IAS 16 - Straight line depreciation	9. IAS 40 - Investment properties	IFRS transition impact	IFRS
ASSETS												
Non-current assets												
Goodwill	303	0	0	0	0	0	0	0	0	0	0	303
Intangible assets	925	0	0	0	0	0	0	-256	0	0	-256	669
Tangible assets	2,745	0	0	0	0	0	0	100	1,136	0	1,237	3,982
Freehold investment properties	113,800	0	0	0	0	0	0	0	0	0	0	113,800
Leased investment properties	0	0	0	0	0	0	0	156	0	7,911	8,067	8,067
Other non-current receivables	60	0	0	1,000	0	0	0	0	0	0	1,000	1,060
Deferred tax assets	9	0	69	0	0	0	0	0	0	0	69	78
Total non-current assets	117,843	0	69	1,000	0	0	0	0	1,136	7,911	10,117	127,959
Current assets												
Inventories	15	0	0	0	0	0	0	0	0	0	0	15
Trade and other receivables	1,412	0	-346	0	0	0	0	0	0	0	-346	1,066
Cash and cash equivalents	4,984	0	0	-1,000	0	0	0	0	0	0	-1,000	3,984
Total current assets	6,410	0	-346	-1,000	0	0	0	0	0	0	-1,346	5,064
Total assets	124,253	0	-277	0	0	0	0	0	1,136	7,911	8,771	133,024

EQUITY AND LIABILITIES**Issued capital and reserves attributable to owners of the parent**

Share capital	80	0	0	0	0	0	0	0	0	0	0	80
Reserve for invested non-restricted equity	17,148	0	0	0	0	0	0	0	0	0	0	17,148
Retained earnings	56,988	0	-277	0	18	0	0	0	909	0	650	57,638

Equity attributable to the shareholders of the parent company	74,216	0	-277	0	18	0	0	0	909	0	650	74,866
--	---------------	----------	-------------	----------	-----------	----------	----------	----------	------------	----------	------------	---------------

Total equity	74,216	0	-277	0	18	0	0	0	909	0	650	74,866
---------------------	---------------	----------	-------------	----------	-----------	----------	----------	----------	------------	----------	------------	---------------

Liabilities**Non-current liabilities**

Non-current interest-bearing liabilities	28,599	0	0	0	-22	0	0	0	0	0	-22	28,576
Lease liabilities	0	7,206	0	0	0	0	0	0	0	0	7,206	7,206
Deferred tax liabilities	13,778	0	0	0	4	0	0	0	227	0	232	14,009
Total non-current liabilities	42,376	7,206	0	0	-18	0	0	0	227	0	7,415	49,792

Current liabilities

Current interest-bearing liabilities	5,147	0	0	0	0	0	0	0	0	0	0	5,147
Lease liabilities	0	705	0	0	0	0	0	0	0	0	705	705
Trade and other payables	2,513	0	0	0	0	0	0	0	0	0	0	2,513
Total current liabilities	7,661	705	0	0	0	0	0	0	0	0	705	8,366
TOTAL LIABILITIES	50,037	7,911	0	0	-18	0	0	0	227	0	8,121	58,158
TOTAL EQUITY AND LIABILITIES	124,253	7,911	-277	0	0	0	0	0	1,136	0	8,771	133,024

Consolidated statement of financial position 31.12.2023

EUR thousand	Local GAAP	1. IFRS 16 - Leases	2. IFRS 9 - ECL	3. IFRS 9 - FV step-up and reclassification	4. IFRS 9 - EIR	5. IFRS 3 - Goodwill amortization reversal	6. IFRS 3 - Asset Deals	7. IAS 38 / IAS 16 - Reclassification	8. IAS 16 - Straight line depreciation	9. IAS 40 - Investment properties	IFRS transition impact	IFRS
ASSETS												
Non-current assets												
Goodwill	427	0	0	0	0	124	-210	0	0	0	-86	342
Intangible assets	1,086	0	0	0	0	0	0	-317	0	0	-317	770
Tangible assets	3,735	0	0	0	0	0	0	181	1,422	0	1,602	5,337
Freehold investment properties	126,230	0	0	0	0	0	0	0	0	0	0	126,230
Leased investment properties	0	0	0	0	0	0	210	136	0	8,035	8,382	8,382
Other non-current receivables	59	0	0	0	0	0	0	0	0	0	0	59
Deferred tax assets	136	26	59	0	0	0	0	0	0	0	85	221
Total non-current assets	131,674	26	59	0	0	124	0	0	1,422	8,035	9,666	141,340
Current assets												
Inventories	15	0	0	0	0	0	0	0	0	0	0	15
Trade and other receivables	1,496	0	-295	0	0	0	0	0	0	0	-295	1,201
Cash and cash equivalents	1,939	0	0	22	0	0	0	0	0	0	22	1,961
Total current assets	3,450	0	-295	22	0	0	0	0	0	0	-273	3,177
Total assets	135,124	26	-236	22	0	124	0	0	1,422	8,035	9,393	144,516

EQUITY AND LIABILITIES**Issued capital and reserves attributable to owners of the parent**

Share capital	80	0	0	0	0	0	0	0	0	0	0	80
Reserve for invested non-restricted equity	17,148	0	0	0	0	0	0	0	0	0	0	17,148
Retained earnings	62,309	-103	-236	18	20	121	0	0	1,137	0	957	63,266

Equity attributable to the shareholders of the parent company	79,537	-103	-236	18	20	121	0	0	1,137	0	957	80,494
--	---------------	-------------	-------------	-----------	-----------	------------	----------	----------	--------------	----------	------------	---------------

Total equity	79,537	-103	-236	18	20	121	0	0	1,137	0	957	80,494
---------------------	---------------	-------------	-------------	-----------	-----------	------------	----------	----------	--------------	----------	------------	---------------

Liabilities**Non-current liabilities**

Non-current interest-bearing liabilities	34,075	0	0	0	-25	0	0	0	0	0	-25	34,051
Lease liabilities	0	7,372	0	0	0	0	0	0	0	0	7,372	7,372
Deferred tax liabilities	15,371	0	0	4	5	3	0	0	284	0	297	15,668
Total non-current liabilities	49,447	7,372	0	4	-20	3	0	0	284	0	7,644	57,091

Current liabilities

Current interest-bearing liabilities	3,519	0	0	0	0	0	0	0	0	0	0	3,519
Lease liabilities	0	792	0	0	0	0	0	0	0	0	792	792
Trade and other payables	2,620	0	0	0	0	0	0	0	0	0	0	2,620
Total current liabilities	6,140	792	0	0	0	0	0	0	0	0	792	6,931

TOTAL LIABILITIES	55,586	8,164	0	4	-20	3	0	0	284	0	8,436	64,022
--------------------------	---------------	--------------	----------	----------	------------	----------	----------	----------	------------	----------	--------------	---------------

TOTAL EQUITY AND LIABILITIES	135,124	8,061	-236	22	0	124	0	0	1,422	0	9,393	144,516
-------------------------------------	----------------	--------------	-------------	-----------	----------	------------	----------	----------	--------------	----------	--------------	----------------

Consolidated statement of financial position 31.12.2024

EUR thousand	Local GAAP	1. IFRS 16 - Leases	2. IFRS 9 - ECL	3. IFRS 9 - FV step-up and reclassification	4. IFRS 9 - EIR	5. IFRS 3 - Goodwill amortization reversal	6. IFRS 3 - Asset Deals	7. IAS 38 / IAS 16 - Reclassification	8. IAS 16 - Straight line depreciation	9. IAS 40 - Investment properties	IFRS transition impact	IFRS
ASSETS												
Non-current assets												
Goodwill	249	0	0	0	0	270	-178	0	0	0	93	341
Intangible assets	1,488	0	0	0	0	0	0	-500	0	0	-500	988
Tangible assets	7,746	0	0	0	0	0	0	412	1,780	0	2,192	9,938
Freehold investment properties	194,100	0	0	0	0	0	0	0	0	0	0	194,100
Leased investment properties	0	0	0	0	0	0	178	88	0	7,502	7,767	7,767
Other non-current receivables	37	0	0	0	0	0	0	0	0	0	0	37
Deferred tax assets	266	62	54	0	0	0	0	0	0	0	116	382
Total non-current assets	203,885	62	54	0	0	270	0	0	1,780	7,502	9,668	213,553
Current assets												
Inventories	15	0	0	0	0	0	0	0	0	0	0	15
Trade and other receivables	1,891	0	-270	0	0	0	0	0	0	0	-270	1,621
Cash and cash equivalents	2,130	0	0	31	0	0	0	0	0	0	31	2,161
Total current assets	4,036	0	-270	31	0	0	0	0	0	0	-239	3,797
Total assets	207,921	62	-216	31	0	270	0	0	1,780	7,502	9,429	217,350

EQUITY AND LIABILITIES**Issued capital and reserves attributable to owners of the parent**

Share capital	80	0	0	0	0	0	0	0	0	0	0	80
Reserve for invested non-restricted equity	17,148	0	0	0	0	0	0	0	0	0	0	17,148
Retained earnings	112,980	-248	-216	25	13	261	0	0	1,424	0	1,260	114,239

Equity attributable to the shareholders of the parent company	130,208	-248	-216	25	13	261	0	0	1,424	0	1,260	131,467
--	----------------	-------------	-------------	-----------	-----------	------------	----------	----------	--------------	----------	--------------	----------------

Total equity	130,208	-248	-216	25	13	261	0	0	1,424	0	1,260	131,467
---------------------	----------------	-------------	-------------	-----------	-----------	------------	----------	----------	--------------	----------	--------------	----------------

Liabilities**Non-current liabilities**

Non-current interest-bearing liabilities	40,576	0	0	0	-17	0	0	0	0	0	-17	40,559
Lease liabilities	0	6,947	0	0	0	0	0	0	0	0	6,947	6,947
Deferred tax liabilities	28,116	0	0	6	3	9	0	0	356	0	374	28,490
Total non-current liabilities	68,691	6,947	0	6	-13	9	0	0	356	0	7,305	75,996

Current liabilities

Current interest-bearing liabilities	5,548	0	0	0	0	0	0	0	0	0	0	5,548
Lease liabilities	0	864	0	0	0	0	0	0	0	0	864	864
Trade and other payables	3,474	0	0	0	0	0	0	0	0	0	0	3,474
Total current liabilities	9,022	864	0	0	0	0	0	0	0	0	864	9,887
TOTAL LIABILITIES	77,713	7,812	0	6	-13	9	0	0	356	0	8,169	85,883
TOTAL EQUITY AND LIABILITIES	207,921	7,564	-216	31	0	270	0	0	1,780	0	9,429	217,350

2.2. IFRS impact:

[illegible]

Consolidated statement of comprehensive income 1.1.-31.12.2024

[illegible]

2. First-time adoption of IFRS Standards

2.3 Transition Effect of IFRS

1. IFRS 16 - Leases

Cityvarasto's leases predominantly pertain to leased investment properties utilized in its storage rental business. These leased properties encompass land areas and buildings, or specific sections of a building. A small portion of the leases also includes general office equipment, but these are not included in the adjustments due to the exemption set out in IFRS 16. Prior to the adoption of IFRS, Cityvarasto's leases were treated as off-balance-sheet items and related commitments were disclosed as off-balance-sheet liabilities in the notes to the financial statements. Under Finnish GAAP, payments related to rents are recognised in the income statement as other operating expenses on a straight-line basis over the lease period.

In adopting IFRS 16, Cityvarasto has applied the exemption allowed by IFRS 1 to measure lease liabilities and right-of-use assets on the transition date to IFRS. Right-of-use assets and corresponding lease liabilities are recognised in the balance sheet at the discounted value of future lease payments. Lease liabilities have been measured at the present value of remaining lease payments as at 1 January 2023 and a right-of-use asset of similar amount has been recognised in balance sheet as an asset. All right-of-use assets recognized by Cityvarasto under IFRS 16 have been classified as leased investment properties, as outlined in IAS 40. For additional information regarding the treatment of leased investment properties, please refer to Note 5.11 Investment Properties and the explanation provided for adjustment 9. later in this note.

The lease liability on the opening balance sheet as at 1 January 2023 was EUR 7,911 thousand, of which EUR 7,206 thousand was classified as non-current and EUR 705 thousand as current. On 31 December 2023 a lease liability of EUR 8,164 thousand was recorded of which EUR 7,372 thousand was non-current and EUR 792 thousand was current. On 31 December 2024 a lease liability of EUR 7,812 thousand was recorded of which EUR 6,947 thousand was non-current and EUR 864 thousand was current.

As a result of applying IFRS 16, lease costs in in other operating expenses are reversed and depreciation of right-of-use assets and interest expense of lease liabilities is recognized instead. In addition, deferred tax was recorded for these adjustments as income tax and deferred tax assets/liabilities. During the financial year 2023, the adjustment added expenses to the consolidated income statement by a total of EUR 103 thousand. The adjustment for the financial year 2023 included EUR 881 thousand of depreciation of right-of-use assets and EUR 351 thousand of interest expense on lease liabilities. Lease payments of EUR 1,103 thousand have been reversed from other operating expenses. During the financial year 2024, the right-of-use assets were depreciated by EUR 986 thousand, interest expenses on lease liabilities were EUR 431 thousand and a total of EUR 1,235 thousand of lease payment expenses were reversed.

Cityvarasto has applied the exemptions in of IFRS 16, which allows a lessee to not apply the requirements of IFRS 16 for short-term leases (lease-term expires within 12 months) and leases where the underlying asset if of negligible value (less than EUR five thousand). Cityvarasto has also use hindsight in determining the lease term for lease contracts that are valid until further notice in accordance with IFRS 1.

2. IFRS 9 - ECL

The adoption of IFRS has changed the calculation of impairment losses on the Group's financial assets by replacing the indicative loss approach under Finnish GAAP with the expected future credit loss (ECL) approach in accordance with IFRS 9. For trade receivables this means that a provision is recognised which corresponds with the expected credit losses of the entire period of validity of the trade receivables. Cityvarasto has therefore measured and recognised an ECL provision on its trade receivables. The change in the ECL provision has been recognised in profit or loss in other operating expenses. In addition, deferred tax is recorded for these adjustments as income tax and deferred tax assets/liabilities.

As at 1 January 2023, the Expected Credit Loss (ECL) recognised in the balance sheet amounted to EUR 346 thousand. By 31 December 2023, the ECL provision decreased to EUR 295 thousand, resulting in a reduction in other operating expenses of EUR 51 thousand. As at 31 December 2024, the ECL provision for trade receivables further declined to EUR 270 thousand, leading to reduction in other operating expenses of EUR 25 thousand for the 2024 financial year.

3. IFRS 9 - FV step-up and reclassification

Cityvarasto Oyj has investments classified to cash and cash equivalents that are measured at cost under Finnish GAAP for the period. Under IFRS these investments are measured at fair value through profit or loss.

On the 31 December 2023 statement of financial position, the fair value step up results in an increase of EUR 22 thousand to cash and cash equivalents (financial assets). For the 31 December 2024 statement of financial position the cash and cash equivalents are increased by EUR 31 thousand. In the statement of profit or loss the impact for the 2023 financial year is EUR 22 thousand increase in finance income and for the 2024 financial year it is EUR 9 thousand.

Under Finnish GAAP, Cityvarasto had classified EUR 1 million investment in fixed-income instruments presented as part of short-term investments. The characteristics of the investment do not meet the definition of a cash equivalent set out in IAS 7. As a result, the investment has been reclassified to long-term interest-bearing investments and is measured at amortized cost in accordance with IFRS 9. The reclassification resulted in a decrease of EUR 1 million in cash and cash equivalents and a corresponding increase in other non-current receivables in the IFRS opening balance sheet.

4. IFRS 9 - EIR

The Effective Interest Rate (EIR) method under IFRS 9 ensures that interest income or expense is recognized based on the effective rate over the life of the financial asset or liability. This method reflects the true cost or yield of the instrument, considering both the nominal interest rate and any premiums, discounts, or fees. In addition, deferred tax is recorded for these adjustments as income tax and deferred tax assets/liabilities.

The EIR adjustment decreased non-current interest-bearing liabilities on 1 January 2023 by EUR 22 thousand, on 31 December 2023 by EUR 25 thousand and on 31 December 2024 by EUR 17 thousand. On the 2023 financial year income statement this adjustment resulted in a decrease of finance expenses by EUR 2 thousand and for the 2024 financial year, finance expenses increased by EUR 8 thousand.

5. IFRS 3 - Goodwill amortization reversal

In accordance with IFRS, goodwill is not amortised, but is subject to annual impairment testing in accordance with IAS 36 and whenever there is an indication of impairment. In local GAAP, separate entity goodwill ("erillisyyhtiön liikearvo") is tax deductible in accordance with "Elinkeinoverolaki"; therefore, deferred taxes are recognized on for that adjustment.

As IFRS adjustment, Goodwill amortization is reversed and deferred taxes are recognised on the separate entity Goodwill balance.

For the 2023 financial year EUR 124 thousand of goodwill amortization was reversed and for the 2024 financial year EUR 146 thousand was reversed. Consequently in the 31 December 2023 statement of financial position, goodwill increased by EUR 124 thousand and on 31 December 2024 goodwill increased by EUR 270 thousand.

6. IFRS 3 - Asset Deals

The acquisition of Varastosta Oy has resulted in the recognition of goodwill in Finnish GAAP accounting. Under IFRS, the transaction is deemed to be an asset deal and therefore recognizing goodwill is prohibited. Additionally, any previous goodwill in Varastosta Oy is derecognized. In IFRS, the purchase price is fully allocated to the assets acquired (leased investment properties in this case). Thus an IFRS adjustment is made where Goodwill is allocated to leased investment properties.

On the 31 December 2023 statement of financial position EUR 210 thousand was transferred from goodwill to investment properties and on 31 December 2024 EUR 178 thousand was transferred from goodwill to investment properties. In the statement of profit or loss EUR 16 thousand was transferred from amortisation expenses to changes in leased investment properties for the 2023 financial year and for the 2024 financial year EUR 33 thousand was transferred.

7. IAS 38 / IAS 16 - Reclassification

Under IAS 16, leasehold improvements are classified as property, plant and equipment compared to Finnish GAAP, where they are classified as intangible assets. In addition, in this case, since Cityvarasto classifies leased properties in accordance with IAS 40 the assets will be reclassified to be part of investment properties. The modifications to vans are deemed to be tangible modifications to van assets, therefore, reclassifications are prepared accordingly.

On the 1 January 2023 balance sheet EUR 256 thousand was removed from intangible assets and EUR 100 thousand of it was added to property, plant and equipment while the remaining EUR 156 thousand was added to investment properties. On the 31 December 2023 balance sheet EUR 317 thousand was removed from intangible assets, while EUR 181 thousand was added to property, plant and equipment and EUR 136 thousand was added to investment properties. On the 31 December 2024 balance sheet EUR 500 thousand was removed from intangible assets and EUR 412 thousand was added to property, plant and equipment and EUR 88 thousand was added to investment properties.

In the statement of profit or loss EUR 20 thousand was transferred from amortisation expenses to changes in fair value of leased investment properties for the 2023 financial year and for the 2024 financial year EUR 29 thousand was transferred.

8. IAS 16 - Straight line depreciation

Declining balance method (tax depreciation) is not in line with the IAS 16 as it does not reflect the pattern in which the asset's future economic benefits are expected to be consumed. Property, plant and equipment is generally thought to provide economic benefits evenly throughout its useful life (i.e. economic benefits are not recognised as declining balances). Thus an IFRS adjustment have been made to change from declining balance method to straight-line depreciation.

The adjustments made to the opening balance sheet on 1 January 2023 increased Property, plant and equipment by EUR 1,136 thousand. The adjustments for the 31 December 2023 and 2024 balance sheets increased Property, plant and equipment by EUR 1,422 thousand and EUR 1,780 thousand respectively.

In the statement of profit or loss depreciation expenses decreased by 285 thousand for the 2023 financial year and for the 2024 financial year depreciation expenses decreased by EUR 358 thousand.

9. IAS 40 - Investment properties

Cityvarasto leases land areas and buildings which it then utilizes in its storage renting business. These leases have initially been accounted for in accordance with IFRS 16, resulting in the recognition of a right-of-use asset and a lease liability. As the primary purpose of these right-of-use assets is to generate rental income, they are classified as investment properties in accordance with IAS 40. Thus an adjustment is made whereby the amount initially recognised as right-of-use assets is transferred to leased investment properties. The depreciation of right-of-use assets is also recognised as change in the fair value of leased investment properties.

In the opening balance sheet as at 1 January 2023 EUR 7,911 thousand was transferred from right-of-use assets to leased investment properties. The corresponding transfer amounted to EUR 8,035 thousand and EUR 7,502 thousand in the balance sheets as at 31 December 2023 and 2024, respectively.

In the statement of profit or loss EUR 881 thousand was transferred from depreciation expenses to changes in fair value of leased investment properties for the 2023 financial year and for the 2024 financial year EUR 986 thousand was transferred.

3.1. Revenue

Accounting Principle Segment information

The management team and Board of Directors have identified the operating segments which guide strategic and resource allocation decisions. The Group monitors two distinct business divisions:

- Real estate (self-storage including services and rentals for other premises) and
- Ancillary business (van rentals and moving services).

The Chief Operating Decision Maker (CODM), that is the CEO, follows the business operations of both the real estate and ancillary businesses. CODM is responsible for allocating resources and assessing the Group's performance. Additionally, the Group's reporting structure and management framework are built around this model.

Real estate revenue

Cityvarasto specializes in managing self-storage facilities, offering flexible month-to-month rental agreements to both business and individual customers. In addition, the Group leases office spaces and provides business center services. These rental activities are supplemented by ancillary revenues from the sale of storage-related products, such as boxes and locks.

These revenues form the Group's real estate revenue stream, which aligns with the real estate operating segment (see note 5.10). While lease-related income is accounted for in accordance with IFRS 16, it is presented within revenue to reflect the Group's business model and performance metrics.

Revenue recognition

Self-storage services and office space leasing are provided on a time basis. The price charged to customers depends on the self-storage size and the facility location. Customers are typically billed monthly in advance, either through automatic charges or invoicing.

In its rental agreements, the Group acts as a lessor in operating lease arrangements. Although these contracts fall under the scope of IFRS 16 Leases, rental income is presented within revenue in the consolidated statement of profit or loss to reflect the operational nature of the Group's business. Rental income is recognised on a straight-line basis over the lease term. Advance customer payments are recorded as contract liabilities until the service period begins.

Revenue is recognised over time, aligned with the continuous right of access provided to the customer for the leased self-storage or office space. No revenue is recognised where significant uncertainties exist regarding collectibility of the consideration.

Real estate revenue additional services revenue recognition

Packing materials

The Group also offers ancillary goods such as packing boxes, tape, and other moving-related materials. These are treated as performance obligations that are separate from the storage services and other real estate revenue, and revenue is recognised at the point in time when control of the goods transfers to the customer, typically at the time of sale or delivery.

Van rental revenue

Under the Pakuovelle brand, the Group offers short-term van rentals, typically ranging from a few hours to one or two days. These services cater to both private individuals and corporate customers and are frequently used in connection with relocations and small-scale transport needs.

These contracts provide customers with the right to use the vans for a specified period in exchange for consideration and meet the definition of operating leases under IFRS 16. The Group acts as a lessor in these arrangements. In accordance with IFRS 16, revenue from operating leases is recognised as income on either a straight-line basis or another systematic basis over the lease term.

In addition to the base rental fee, customers may incur damage-related charges, such as fees for vehicle damage or violations of rental terms. These fees are not part of the lease income and are recognised at a point in time, when the obligation to pay becomes enforceable, and it is probable that the consideration will be collected.

Moving service revenue

Separately, under the Opiskelijamuutot brand, the Group provides professional moving services, primarily in Southern Finland. These services are typically delivered on a contract basis and involve the physical relocation of goods from one site to another.

Revenue from moving services is recognised over time, as the performance obligation is satisfied progressively. This reflects the customer simultaneously receiving and consuming the benefits of the service as it is provided. Progress is measured based on the proportion of services completed, using input methods such as labour hours incurred or direct costs incurred relative to total estimated contract costs.

General information on contracts with customers

All of the Group's revenues are generated in Finland, and the customer base primarily consists of private individuals and small to medium-sized businesses.

The Group's standard payment terms range from 14 to 30 days, depending on the nature of the service and customer type.

The Group does not have significant variable consideration in its contracts with customers. Damage-related charges in van rental operations represent a form of variable consideration but are only recognised when enforceable and collectibility is probable. There are no significant financing components in any of the Group's contracts with customers.

No material judgements are required in determining the transaction price, contract duration, or timing of revenue recognition. The nature, timing, and amount of revenue from contracts with customers are considered to be relatively consistent and low in uncertainty.

Distribution of revenue

EUR thousand	2024	2023
Real estate revenue	16,804	14,741
Van rental revenue	4,747	2,873
Moving service revenue	859	847
Total revenue from contracts with customers	22,410	18,461

Timing of revenue recognition

EUR thousand	2024	2023
Services transferred at a point in time	579	333
Services transferred over time	21,831	18,127
Total revenue from contracts with customers	22,410	18,461

Accounts receivable

EUR thousand	2024	2023
Trade receivables (Note 4.1)	985	707
Total accounts receivable	985	707

The Group's credit period typically ranges from 14 to 30 days. Allowances for expected credit losses (ECL) on customer balances were EUR 270 thousand, EUR 295 thousand, and EUR 346 thousand as of 31.12.2024, 31.12.2023, and 1.1.2023, respectively. A financial asset is written off, either partially or fully, when there is no reasonable expectation of its recovery. Please refer to note 5.7. Financial risk management for further information regarding the ECL calculations.

3.2. Other operating income

Other operating income includes income that does not directly relate to Group's operating activities. Other operating income consists mainly of damage compensation.

EUR thousand	31-Dec-24	31-Dec-23
Other income	12	20
Total other operating income	12	20

3.3. Material and Services

Material and service expenses consist mainly of moving boxes, subcontractor expenses, vehicle inspection expenses and other ancillary services.

EUR thousand	31-Dec-24	31-Dec-23
Materials, consumables and goods	20	61
Other External Services	239	201
Total Materials and services	259	262

3.4 Employee benefit expenses

Accounting Principle

Cityvarasto provides a range of employment benefits, including salaries, compensations, fringe benefits and post-employment benefits. Post-employment benefits primarily consist of pensions and are administered by external insurance providers.

Upon termination of employment, an expense is recognised if the Group has a constructive obligation to make the payment before the termination of employment. If the purpose of the arrangement is voluntary termination, the costs are recognised in the statement of income when the acceptance of such an arrangement is certain, and the cost can be reliably estimated.

The Group has defined contribution plans with external insurance companies, hence the Group does not have a legal or constructive obligation to make additional payments in case the payment recipient is unable to pay the pension benefits. The contributions payable under defined contribution plans are recognised as expenses in the statement of income for the period to which the payments relate.

Personnel expenses

EUR thousand	31-Dec-24	31-Dec-23
Salaries and remunerations	2,501	2,435
Pension expenses, defined contribution plans	435	409
Other social security expenses	51	86
Total	2,988	2,930

SALARIES, REMUNERATIONS, AND BENEFITS PAID FOR THE BOARD OF DIRECTORS AND FOR THE GROUP MANAGEMENT

Key management personnel consist of the members of the Board of Directors, Group CEO, and members of the Group management team.

Compensation of the members of Board of Directors and group management

EUR thousand	31-Dec-24	31-Dec-23
Board of Directors & Group CEO salary and remuneration	194	192
The Group management team salaries	518	586
Total salaries and remunerations	713	778
Pension expenses, defined contribution plans	122	129
Other social security expenses	14	27
Total compensation	849	934

Headcount	31-Dec-24	31-Dec-23
Average number of personnel (full-time)	58	59

3.5 Other Operating Expenses

Other operating expenses include expenses such as non-lease cost of premises, Sales and marketing, general and administrative expenses, Vehicle expenses and IT and software expenses. In addition, lease payments recognised in the income statement on leases classified as short-term leases or leased assets classified as low value are included in other operating expenses as well as non-index-based variable leases recognised as an expense. Operating expenses also include losses arising from accounts receivable.

Other Operating Expenses

EUR thousand	31-Dec-24	31-Dec-23
Premises expenses	4,552	4,122
Sales and marketing	1,214	715
General and administrative expenses	1,069	782
Vehicle expenses	1,144	717
Expense relating to short-term and low value leases	80	246
Credit losses and expected credit losses (ECL)	443	558
IT and software expenses	296	253
Other personnel expenses	110	94
Travel expenses	95	84
Other Operating expense	147	57
Total Other Operating Expenses	9,152	7,629

Audit Fees

EUR thousand	31-Dec-24	31-Dec-23
Audit fees - Moore Idman Oy	22	20
Tax services - Moore Idman Oy	0	0
Other non-audit fees - Moore Idman Oy	3	1
Total	25	21

3.6 Depreciation, amortisation and impairment losses

Accounting policy

Depreciation is recognised as an expense in the income statement on a straight-line basis over the estimated useful lives of tangible and intangible assets. More information regarding fixed assets and their depreciation are on notes 6.2 and 6.3.

Depreciation

EUR thousand	31-Dec-24	31-Dec-23
Intangible assets	390	317
Property, plant and equipment	1,054	1,031
Total amortisation, depreciation and impairment losses	1,443	1,348

There were no impairments or cancellations of impairment recognised related to fixed assets during periods ended on 31.12.2023 and 31.12.2024 respectively.

3.7 Earnings per share

Accounting policy

The basic earnings per share are calculated by dividing the profit attributable to the equity owners of the parent company by the weighted average number of shares issued during the period excluding treasury shares held by parent company Cityvarasto Plc.

The diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares with the dilutive effect of all the potential dilutive shares.

Earnings per share	31-Dec-24	31-Dec-23
Earnings per share, basic	7.32	0.88
Profit for the financial year attributable to the owners of the parent	51,607,312	6,192,312
Weighted average number of shares ¹	7,049,109	7,049,109
Basic earnings per share, EUR	7.32	0.88
Earnings per share, diluted		
Profit for the financial year attributable to the owners of the parent company, EUR	51,607,312	6,192,312
Weighted average number of shares ¹ for diluted earnings per share	7,049,109	7,049,109
Diluted earnings per share, EUR	7.32	0.88

1) Weighted average number of shares outstanding, excluding the number of treasury shares held by Cityvarasto Plc.

3.8 Income taxes

Accounting principles

The group's tax expenses consists of tax based on taxable income for the financial year, any adjustments to income taxes for previous financial years and changes in deferred tax liabilities and receivables. Tax based on the group's taxable income for the period is calculated on the basis of the taxable income determined by the tax legislation of each country and the tax rate in force (or the tax rate approved in practice by the balance sheet date) in the countries in which Cityvarasto operates and generates taxable income. This tax is adjusted with any taxes related to previous financial years. Taxes other than income taxes are included in other operating expenses. Taxable income differs from the result reported in the financial statements, for example, because certain income and expense items are not taxable or deductible at all, or they are taxable or deductible in different years.

Deferred tax

Deferred tax liabilities and assets are recognized for all temporary differences between the tax bases and carrying amounts of assets and liabilities.

The most significant temporary difference arises from the difference between the acquisition costs of the Group's properties not amortized for tax purposes and the consolidated balance sheet values. In connection with property investments defined as business combinations, deferred taxes are recognized for the differences defined above at the time of acquisition. In investments defined as asset acquisitions, deferred taxes are not recognized for differences at the time of acquisition, but only for changes that occur after the time of acquisition.

Other temporary differences arise, for example, from the unused tax losses, leases and consolidation adjustments. Deferred taxes are calculated using tax rates enacted or substantively enacted at the balance sheet date.

Changes in deferred taxes are recognized in the income statement, except when they relate to equity, as a credit or charge to items recognized. Deferred tax assets are recognized only to the extent that it is probable that taxable profit will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed annually in relation to the Group's ability to generate sufficient taxable profit in the future.

Important accounting estimates and judgements

For the purpose of recognising deferred tax assets, management estimates the amount likely to generate taxable profit for companies against which the tax assets can be utilised. The actual profit may differ from the estimate and thus affect taxes for future financial years.

Income tax

EUR thousand	2024	2023
Deferred taxes	12,660	1,517
Income tax total	12,660	1,517

Reconciliation between tax expense and taxes calculated at the corporate tax rate of the parent company

EUR thousand	2024	2023
Profit before tax	64,267	7,709
Taxes at the tax rate of the parent company 20%	12,853	1,542
Other items	-194	-25
Income taxes in the statement of income	12,660	1,517

Deferred taxes

Deferred tax assets and liabilities 2024

EUR thousand	1-Jan-24	Recognised in profit or loss	31-Dec-24
Leases	26	36	62
ECL provision	59	-5	54
Internal Margins	1	31	32
Tax losses	135	99	234
Deferred tax assets total	221	161	382
Fair value of investment properties	15,371	12,744	28,116
Change in depreciation policy	284	72	356
Other items	12	6	18
Deferred tax liabilities total	15,668	12,822	28,490
Net deferred taxes	-15,447	-12,661	-28,108

Deferred tax assets and liabilities 2023

EUR thousand	1-Jan-23	Recognised in profit or loss	31-Dec-23
Leases	0	26	26
ECL provision	69	-10	59
Internal Margins	9	-8	1
Tax losses	0	135	135
Deferred tax assets total	78	143	221
Fair value of investment properties	13,778	1,594	15,371
Change in depreciation policy	227	57	284
Other items	4	8	12
Deferred tax liabilities total	14,009	1,659	15,668
Net deferred taxes	-13,931	-1,516	-15,447

The company has tax-deductible depreciation reserves totaling EUR 4,505 thousand at 31 December 2024 arising from asset acquisitions, for which no deferred tax asset has been recognized.

4.1 Trade and other receivables

Accounting principles

Trade receivable

The carrying amount of the trade and other receivables approximate their fair values due to their short-term nature.

The Group requires customers to pay in advance for their storage period, thereby minimizing exposure to credit risk. A late fee is imposed on accounts that are overdue. The Group retains a lien on customers' goods, granting the right to realize these items to recover unpaid debts within a specified timeframe. If rent is 60 days overdue, Cityvarasto takes control of the storage space and has right to realize its contents. Provisions for overdue trade receivables are made based on estimated irrecoverable amounts, based on historical default rates and forward-looking estimates about future economic conditions.

For individual storage customers, the Group does not conduct credit checks. This risk is mitigated by requiring these customers to pay in advance and to provide a deposit equivalent to one to four weeks of storage fees.

In the Group's van rental and moving services, customer payments are primarily received in advance of the service being provided.

For van rental services, payments are processed through a third-party payment intermediary, which assumes the credit risk related to the rental transaction itself. Any potential credit loss risk is limited to post-rental damage compensation charges. To mitigate this risk, the Group implements payment plans and offers flexible payment terms where necessary.

For moving services, the customer is invoiced in advance based on the agreed quotation prior to the commencement of the move. Any additional work performed beyond the original scope is invoiced separately. A third-party payment intermediary is also used in these services. In order to mitigate credit risk, the Group performs credit checks on customers prior to providing services or alternatively requires a deposit to secure payment. These practices aim to reduce the risk of credit losses and ensure services are not rendered without confirmed payment arrangements.

Contract receivables

A contract asset arises when revenue is recognized before billing (e.g., services delivered but not yet invoiced). The group does not have any contract assets.

Expected credit losses

Trade receivables are initially recognised at fair value and subsequently at amortized cost less expected credit loss allowance (ECL). Impairment charges are recognised based on expected credit losses in accordance with the impairment model of IFRS 9. The Group applies the simplified model enabled by the standard to recognise impairment of trade receivables and contract receivables using a provision matrix. In this approach the credit losses are based on predetermined credit loss rates by customer category. The rates are determined by past events and external sources. In the provision matrix predetermined provision rates are assigned based on how many days a receivable is overdue.

Trade receivables are written off permanently when there is no reasonable expectation of collection. Any amounts recovered after being written off are credited back to the income statement.

Other receivables

Other receivables include mainly consists of loan receivable, VAT receivable ja deposit given to lessors/suppliers.

Trade and other receivables consist of

EUR thousand	31-Dec-24	31-Dec-23	1-Jan-23
Trade receivables	985	707	816
Prepaid expenses and accrued income	285	260	147
Other receivables	351	234	103
Total	1,621	1,201	1,066

Trade receivables by ageing category

Expected Credit Loss 31.12.2024

EUR thousand	Gross value	Expected credit loss	Net value
Not past due	287	-7	280
1-30 days	237	-7	230
31-90 days	202	-44	158
Over 90 days	529	-213	316
Total	1,255	-270	985

Expected Credit Loss 31.12.2023

EUR thousand	Gross value	Expected credit loss	Net value
Not past due	230	-6	224
1-30 days	215	-5	210
31-90 days	175	-38	137
Over 90 days	382	-247	136
Total	1,002	-295	707

Expected Credit Loss 1.1.2023

EUR thousand	Gross value	Expected credit loss	Net value
Not past due	231	-3	228
1-30 days	151	-4	148
31-90 days	138	-31	107
Over 90 days	641	-308	333
Total	1,162	-346	816

4.2 Trade and other payables

Accounting policy

Trade and other payables are presented as current liabilities if payment is due within 12 months after the financial period. Trade payables and other payables are initially recognized at fair value and subsequently measured at amortized cost.

Trade and other payables

EUR thousand	31-Dec-24	31-Dec-23	1-Jan-23
Trade payables	1,335	934	1,200
Payroll related liabilities	344	349	311
VAT liabilities	320	279	99
Rental deposits	828	681	653
Other liabilities and accruals	647	377	251
Trade and other payables total	3,474	2,620	2,513

The carrying amounts of trade payables and other payables are considered to correspond to their fair values due to the short-term nature of the items.

4.3. Inventory

Accounting principles

Inventories are valued at the lower of historical cost or net realizable value. The cost of inventories is based on the weighted average cost method and includes all costs incurred in bringing the inventories to their present location.

EUR thousand	31-Dec-24	31-Dec-23	1-Jan-23
Materials and supplies	15	15	15
Total inventories	15	15	15

Materials and supplies consist mainly of packaging materials and accessories intended for sale.

5.1. Cash and cash equivalents

Accounting policy

Cash and cash equivalents consist of cash at bank and in hand, demand deposits and other short-term, highly liquid investments. Items classified as cash and cash equivalents have a maximum maturity of three months from the date of purchase. Credit facilities in use are included in current interest-bearing liabilities.

Cash and cash equivalents

EUR thousand	31-Dec-24	31-Dec-23	1-Jan-23
Cash and cash equivalents	2,161	1,961	3,984
Total	2,161	1,961	3,984

5.2. Equity

Equity and capital reserves

Equity consists of share capital, reserve for unrestricted equity, and retained earnings net of treasury shares. The company has one series of shares and the shares do not have a nominal value.

EUR 1,000	31-Dec-24	31-Dec-23
Number of shares, pcs	7,049,109	7,049,109
Share capital	80	80
Reserve for invested unrestricted equity	17,148	17,148
Retained earnings	114,239	63,266
Equity attributable to the owners of the parent company	131,467	80,494

At the end of the reporting period on 31 December 2024, Cityvarasto's share capital was EUR 80,000 , which was fully paid, and total number of shares outstanding was 7,049,109 excluding shares held in treasury. In addition, as of 31 December 2024, Cityvarasto held 39,265 of its own shares.

Dividends

The Annual General Meeting has decided to distribute a dividend of EUR 0.10 (0.09) per share for the financial year ended.

Reserve for invested non-restricted equity

The reserve for invested non-restricted equity contains the other equity investments that are not included in the share capital.

5.3 Finance income and expenses

Accounting policy

Financial income and expenses are recognised in the period during which they are incurred.

Financial Income

Financial income of the Group consist mainly of interest income from trade receivables and other interest income.

Financial expenses

Financial expenses consist mainly of interest expenses on loans and right-of-use lease liabilities. Other financing expenses majorly consists of withdrawal fees. Interest costs are recognised in profit or loss with application of the effective interest method. The average interest rate on financial loans at the end of the year was 4.5 %. Of the Group's financial loans, 37 % were fixed-rate and 63 % were variable-rate at the of the year.

EUR thousand	31-Dec-24	31-Dec-23
Financial income		
Dividend Income	1	1
Interest income on Trade receivables	50	46
Other financing income	53	107
Total financial income	105	154
Finance expenses		
Interest on debts and borrowings	-2,350	-1,856
Interest expenses on lease liabilities	-431	-351
Other financing expenses	-71	-43
Total financial expenses	-2,852	-2,249
Finance income and expenses total	-2,747	-2,095

5.4. Borrowings and lease liabilities

Interest-bearing liabilities and net debt

Net debt

EUR thousand	31-Dec-24	31-Dec-23	1-Jan-23
Non-current interest-bearing loans and borrowings	40,559	34,051	28,576
Non-current lease liabilities	6,947	7,372	7,206
Current interest-bearing loans and borrowings	5,548	3,519	5,147
Current lease liabilities	864	792	705
Liquid funds	-2,161	-1,961	-3,984
Net debt total	51,758	43,773	37,651

Lease liabilities

Cityvarasto leases various investment properties with an aggregate fair value of EUR 7,767 thousand, EUR 8,382 thousand and EUR 8,067 thousand for 31.12.2024, 31.12.2023 and 1.1.2023 respectively.

The group paid EUR 1 235 thousand for leases in the year ended 31.12.2024 and booked EUR 431 thousand in interest expense on lease liabilities in the profit or loss statement (EUR 1 103 thousand and EUR 351 thousand respectively for the the year ended 31.12.2023). For contracts with maturity of less than one year and or contracts with low-value the group booked in the year ended 31.12.2024 EUR 80 thousand in the profit or loss statement as operating expense (EUR 246 thousand for the the year ended 31.12.2023).

Changes in the interest-bearing liabilities

31.12.2024

EUR thousand	Interest-bearing loans and borrowings	Lease liabilities	Total financial debt
Opening balance 1 Jan	37,570	8,164	45,733
Payments	-4,389	-1,235	-5,624
Draw down of new loans	12,926	0	12,926
Addition of lease obligations (net)	0	452	452
Accrued interest for lease liabilities	0	431	431
Reporting date balance 31 Dec	46,107	7,812	53,919

31.12.2023

EUR thousand	Interest-bearing loans and borrowings	Lease liabilities	Total financial debt
Opening balance 1 Jan	33,724	7,911	41,635
Payments	-4,976	-1,103	-6,079
Draw down of loans	8,822	0	8,822
Addition of lease obligations (net)	0	1,005	1,005
Accrued interest for lease liabilities	0	351	351
Reporting date balance 31 Dec	37,570	8,164	45,733

Maturity distribution of financial liabilities

The maturity distribution of the financial liabilities is presenting the nominal undiscounted cash outflows in relation to the Group's financial liabilities. The objective is to present the liquidity requirements for meeting the upcoming outflows on an annual basis. The maturity analysis includes the group's interest-bearing financial liabilities, IFRS 16 lease liabilities and trade payables.

31.12.2024

EUR thousand	Carrying amount	2025	2026	2027	2028	2029	2030 and later	Total cash outflow
Interest-bearing loans from financial institutions	46,107	5,315	8,138	5,387	11,913	6,856	17,606	55,215
Lease liabilities	7,812	1,262	1,258	1,139	644	558	6,683	11,544
Trade payables	1,335	1,335						1,335
Total	55,254	7,913	9,396	6,526	12,558	7,414	24,288	68,095

31.12.2023

EUR thousand	Carrying amount	2024	2025	2026	2027	2028	2029 and later	Total cash outflow
Interest-bearing loans from financial institutions	37,570	5,028	3,533	7,617	4,259	11,158	13,272	44,866
Lease liabilities	8,164	1,251	1,262	1,258	1,139	644	7,241	12,795
Trade payables	934	934						934
Total	46,668	7,213	4,795	8,875	5,398	11,802	20,512	58,595

1 January 2023

EUR thousand	Carrying amount	2023	2024	2025	2026	2027	2028 and later	Total cash outflow
Interest-bearing loans from financial institutions	33,724	5,807	2,888	2,992	6,994	3,404	18,461	40,545
Lease liabilities	7,911	1,201	1,251	1,262	1,258	1,139	7,885	13,996
Trade payables	1,200	1,200						1,200
Total	42,835	8,208	4,138	4,254	8,252	4,543	26,346	55,741

5.5 Financial Assets and Liabilities

Accounting principles

Fair value measurement

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1:

Fair value is determined on the basis of quotations available on the market.

Level 2:

Fair value is determined using valuation methods. Fair value means the value ascertainable from the market value of components of a financial instrument or comparable financial instruments; or a value that can be ascertained using valuation models and methods generally accepted on the financial markets, provided that they allow the market value to be measured reliably.

Level 3:

Fair value is determined using valuation methods that use factors that have a significant impact on recognised fair value and are not based on observable market data.

Fair value measurement of Investment property

Investment properties owned by the company have been measured at fair value. In determining the fair value, the valuation opinion provided by an experienced real estate expert has been used to determine the fair value of the property. Refer Note 5.10. Investment Properties for more details.

Financial assets

For the valuation after initial recognition, the group's financial assets are classified as fair value through profit and loss, amortized cost, and financial assets recognised at fair value through other comprehensive income items.

Amortised cost

Financial receivables recognised at amortised cost include other non current assets, trade receivables and cash and cash equivalents measured at amortised cost using the effective interest rate method and taking into account any impairment.

Financial assets at fair value through profit or loss and other comprehensive income

Cityvarasto has investments that are measured at fair value through profit or loss. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Gains and losses arising from changes in fair value are recognised in profit or loss at the time of the transaction.

Derecognition of financial assets

The Group derecognises a financial asset when, and only when the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset and the transfer fulfils the conditions for derecognition.

Financial liabilities

Cityvarasto recognises a financial liability in its statement of financial position when, and only when, the entity becomes party to the contractual provision of the instrument. Group's financial liabilities are measured at fair value at initial recognition at the date of the transaction, and are classified as subsequently measured at amortised cost and fair value through profit or loss. The financial liabilities are classified as current and non-current liabilities.

Financial liabilities measured at amortised cost

Cityvarasto's financial liabilities that are classified at amortised cost, include interest-bearing loans, lease liabilities and trade and other payables. The liabilities are initially recognised at fair value less any related transaction cost, and are subsequently measured using the EIR method. Gains and losses are recognised in profit or loss when liabilities are derecognised from the balance sheet.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the income statement.

Financial liabilities at fair value through profit or loss

Cityvarasto did not have any financial liabilities classified as fair value through profit or loss during the financial years 2023 and 2024.

De-recognition of financial liabilities

Cityvarasto derecognises financial liabilities only when an obligation related to a financial liability identified in that contract has been satisfied, cancelled or has expired. This shall also apply where an existing financial liability is replaced by another liability granted by the same lender on substantially different terms, or the terms of an existing liability are materially changed, such exchange or modification is treated as derecognition of the original liability and the recognition of a new liability in the balance sheet. The difference between these carrying amounts is recognised in the profit and loss account.

Financial instruments by classification 31.12.2024

Financial assets, 2024

EUR thousand	Note	Fair value level	Fair value through profit and loss	At amortised cost	Book value	Fair value
Non-current financial assets						
Other receivable		2		37	37	37
Non-current financial assets total			0	37	37	37
Current financial assets						
Trade receivables	4.1	2		985	985	985
Cash and cash equivalents	5.1	1,2	356	1,805	2,161	2,161
Current financial assets total			356	2,789	3,146	3,146
Financial assets total			356	2,826	3,182	3,182

Financial Liabilities, 2024

EUR thousand	Note	Fair value level	Fair value through profit and loss	At amortised cost	Book value	Fair value
Non-current financial liabilities						
Loans from financial institutions	5.4	2		40,559	40,559	40,559
Lease liabilities	5.4	2		6,947	6,947	6,947
Non-current financial liabilities total			0	47,506	47,506	47,506
Current financial liabilities						
Loans from financial institutions	5.4	2		5,548	5,548	5,548
Lease liabilities	5.4	2		864	864	864
Trade payables	4.2	2		1,335	1,335	1,335
Current financial liabilities total			0	7,748	7,748	7,748
Financial liabilities total			0	55,254	55,254	55,254

Financial instruments by classification 31.12.2023

Financial assets, 2023

EUR thousand	Note	Fair value level	Fair value through profit and loss	At amortised cost	Book value	Fair value
Non-current financial assets						
Other receivable		2		59	59	59
Non-current financial assets total			0	59	59	59
Current financial assets						
Trade receivables	4.1	2		707	707	707
Cash and cash equivalents	5.1	1,2	347	1,613	1,961	1,961
Current financial assets total			347	2,320	2,668	2,668
Financial assets total			347	2,380	2,727	2,727

Financial Liabilities, 2023

EUR thousand	Note	Fair value level	Fair value through profit and loss	At amortised cost	Book value	Fair value
Non-current financial liabilities						
Loans from financial institutions	5.4	2		34,051	34,051	34,051
Lease liabilities	5.4	2		7,372	7,372	7,372
Non-current financial liabilities total			0	41,423	41,423	41,423
Current financial liabilities						
Loans from financial institutions	5.4	2		3,519	3,519	3,519
Lease liabilities	5.4	2		792	792	792
Trade payables	4.2	2		934	934	934
Current financial liabilities total			0	5,245	5,245	5,245
Financial liabilities total			0	46,668	46,668	46,668

Financial instruments by classification 1.1.2023

Financial assets, IFRS opening balance sheet 1.1.2023

EUR thousand	Note	Fair value level	Fair value through profit and loss	At amortised cost	Book value	Fair value
Non-current financial assets						
Other receivable		2		1,060	1,060	1,060
Non-current financial assets total			0	1,060	1,060	1,060
Current financial assets						
Trade receivables	4.1	2		816	816	816
Cash and cash equivalents	5.1	1,2	36	3,948	3,984	3,984
Current financial assets total			36	4,763	4,800	4,800
Financial assets total			36	5,824	5,860	5,860

Financial liabilities, IFRS opening balance sheet 1.1.2023

EUR thousand	Note	Fair value level	Fair value through profit and loss	At amortised cost	Book value	Fair value
Non-current financial liabilities						
Loans from financial institutions	5.4	2		28,576	28,576	28,576
Lease liabilities	5.4	2		7,206	7,206	7,206
Non-current financial liabilities total			0	35,782	35,782	35,782
Current financial liabilities						
Loans from financial institutions	5.4	2		5,147	5,147	5,147
Lease liabilities	5.4	2		705	705	705
Trade payables	4.2	2		1,200	1,200	1,200
Current financial liabilities total			0	7,053	7,053	7,053
Financial liabilities total			0	42,835	42,835	42,835

5.6 Financial Risk management

Cityvarasto's operations involve a wide range of financial risks. Financial risks are mainly due to changes in market conditions and customer behaviour. The risks affecting the Group's financial assets are mainly related to changes in the counterparty's payment behaviour and credit risk. Changes in interest rates affect the Group's financial liabilities, which include floating-rate loans and are, therefore, subject to interest rate risk.

"The key principle of financial risk management is to mitigate the potential negative effects of financial markets on the Group's operations, profitability, solvency, and liquidity; to ensure access to debt financing on favorable terms; and to maintain flexibility for core business activities. To manage financial risks, the Group closely monitors the payment behavior of its customers, has diversified its interest-bearing loans across several banks, maintains a broad maturity distribution of its borrowings, and ensures an adequate equity ratio and liquidity.

Cityvarasto evaluates the risk environment at regular intervals and the management monitors the management of these risks in accordance with the Group's financial risk management policy. The Group has appropriate policies and procedures, and financial risks are identified, determined and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and approves the risk management policy, which is summarised below.

Market risk

Market risk refers to the potential for fluctuations in the fair value or future cash flows of financial instruments due to changes in market prices or conditions. It encompasses three main types of risk: interest rate risk, currency risk, and other price risks. For Cityvarasto interest rate risk is the most significant market risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Cityvarasto's exposure to the interest rate fluctuations relates primarily to the portion of Cityvarasto's long-term debt obligations that have floating interest rates. Cityvarasto's long-term bank loans that have floating interest rates are linked to Euribor rates. The group has 63% of its loans that have variable interest rates at the end of 2024. Changes in market interest rates have a direct effect on the Group's future interest payments.

The Group's policy to mitigate interest rate risk is to maintain a predefined ratio between the total amount of loan arrangements and the liquidity position, taking into account cash flows generated by operations, and to hedge part of its interest-bearing loans with fixed interest rates. At the end of the financial year, 37% of the Group's interest-bearing loans had fixed interest rates. Management continuously assesses interest rate risk to determine the necessary actions to minimise it. The Group also has the ability to renegotiate the terms of its financial instruments in response to changes in the market and interest rate environment.

The sensitivity analysis calculated at the balance sheet date of 31 December 2024, the effect of variable rate borrowings on the pre-tax profit would have been €-/±0.3 million (€-/±0.2 million), if the interest rate level had risen or fallen by 1 percentage point.

Foreign currency risk

"The Group has no business operations outside the euro area and is therefore not exposed to foreign currency risk in respect of incoming payments. The Group makes only minor payments outside the euro area related to goods and services used in its operations. For these, the Group manages currency risk by holding foreign currency balances only to the extent that outgoing payments in those currencies are expected in the short term.

Credit risk

Credit risk is the risk that a counterparty will default on its obligations, leading to a financial loss. The Group's maximum exposure to credit risk at the reporting date primarily arises from trade receivables, which totalled EUR 985 thousand, EUR 707 thousand, and EUR 816 thousand as of 31.12.2024, 31.12.2023, and 1.1.2023, respectively. Credit risk from balances with banks and financial institutions is managed by the Company's Senior Management in accordance with the Company's policy. The Company's maximum exposure to credit risk for the balances with banks and financial institutions as of 31.12.2024, is the carrying value of the cash and cash equivalents.

The Group's credit period typically ranges from 14 to 30 days for accounts receivables. Allowances for expected credit losses (ECL) on customer balances were EUR 270 thousand, EUR 295 thousand, and EUR 346 thousand as of 31.12.2024, 31.12.2023, and 1.1.2023, respectively. A financial asset is written off, either partially or fully, when there is no reasonable expectation of recovery. Refer to note 4.1 for more information about the expected credit losses for trade receivables which are calculated using a provision matrix.

To mitigate credit risk, tenants are required to pay their rent in advance in addition Cityvarasto has received rent deposits/guarantees especially from premise lessees. The highest credit risk exposure at the reporting date is the book value of each financial asset category. There are no major credit risk concentrations, either from individual customers or specific regions.

Liquidity risk

Cityvarasto regularly monitors its available funds and conducts maturity analyses for its liabilities to determine its cash requirements and level of liquidity risk. In addition, the group management prepares business cash flows forecasts to ensure sufficient liquidity is maintained.

Cityvarasto's objective is to maintain the continuity and flexibility of financing by using bank loans.

Loan covenants are reported to the creditors on an annual basis. The covenants relate to equity ratio, the amount of interest-bearing liabilities to fair value of investment property owned and the amount of EBITDA in relation to interest expenses. The management regularly monitors the fulfilment of the loan covenants.

Maturity distribution of financial liabilities

Refer to Note 5.4 Borrowings and Lease Liabilities which provides a summary of the maturity profile of Cityvarasto Group's financial liabilities based on contractual undiscounted payments. The objective of this analysis is to present the liquidity requirements necessary to meet upcoming cash outflows on an annual basis. The maturity profile covers loans from financial institutions, IFRS 16 lease liabilities and trade payables.

At year-end 2024, the company had credit limit of EUR 2 Million of which EUR 0 was utilized.

Refinancing risk

Refinancing risk relates to the possibility that the Group may not have sufficient liquid funds available to repay maturing loans, or that refinancing may not be obtainable on favorable terms, or at all. The Group seeks to mitigate refinancing risk by working with multiple banks and diversifying the maturity profile of its loan portfolio. Strong operational profitability and a solid balance sheet also support the refinancing of loans. The share of short-term financing and the need for new long-term financing are continuously monitored, and the Group aims to agree on the refinancing of maturing loans well in advance when necessary.

5.7 Capital Management

For the Cityvarasto's capital management, capital includes issued capital, and all other equity reserves attributable to the equity holders of the parent.

The Group's Management Team continuously monitors the capital structure. The main goal of the Group's capital management is to ensure adequate liquidity and adherence to its covenants.

The Group targets a moderate loan-to-value ratio. The Company reviews during each reporting year the appropriateness of the loan-to-value ratio. The Company is currently satisfied with its current loan-to-value ratio.

Apart from the above Cityvarasto also manages the capital structure by taking into account changes in economic cycles and financial liabilities. Cityvarasto's management takes into account the needs of the capital structure when proposing profit distribution, capital repayments and share issues to Cityvarasto's shareholders. Cityvarasto monitors the capital structure through equity ratio and loan-to-value ratio.

The Group has complied with all the covenants throughout the reporting year.

There are no indications that the entity may have difficulties complying with the covenants when in the next 12 months.

The table below provides an overview of the evolution of the loan-to-value ratio as of 31.12.2024, 31.12.2023 and 1.1.2023

EUR thousand	31-Dec-24	31-Dec-23	1-Jan-23
Loans from financial institutions	46,107	37,570	33,724
Freehold Investment property	194,100	126,230	113,800
Loan-to-value ratio	23.8 %	29.8 %	29.6 %

The table below shows other KPI's considered by the management team for managing the capital.

EUR thousand	31-Dec-24	31-Dec-23	1-Jan-23
Operating profit margin -%	299.0 %	53.1 %	n/a
EBITDA margin -%	44.7 %	41.5 %	n/a
Net debt (note 5.5)	51,758	43,773	37,651
Total equity	131,467	80,494	74,866
Total equity and liabilities	217,350	144,516	133,024
Equity ratio	60.5 %	55.7 %	56.3 %

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2024 and 31 December 2023.

5.8 Contingent liabilities and commitments

Accounting principles

Contingent liabilities are possible obligations resulting from past events whose existence will only be confirmed by uncertain future events. Mortgages relate to the credit facilities where the group has given securities on the loans via mortgages and pledged shares. Guarantees are mainly related to parent company guarantees on behalf of subsidiaries for third parties.

Commitments that are not included in the balance sheet

Group as lessee EUR thousand	31-Dec-24	31-Dec-23	1-Jan-23
Rental Guarantees	93	93	65
Total	93	93	65

Mortgages, pledges and guarantees

EUR thousand	31-Dec-24	31-Dec-23	1-Jan-23
Loans, for which mortgages are given in security and shares pledged:			
Loans from financial institutions	46,107	37,570	33,724
Mortgages, pledges and guarantees			
Real estate mortgages, nominal value	85,043	75,991	75,991
Mortgages (equipment)	7,885	4,602	2,279
Business mortgages	2,270	150	150
Pledged shares in subsidiaries and real estate companies, book value	2,362	769	769
Total mortgages and pledges	97,560	81,512	79,189

Legal disputes

The Group is involved in certain legal and regulatory proceedings in the ordinary course of business. These matters are not expected to have a material impact on the Group's financial position or results of operations. Management believes that any potential liabilities arising from such proceedings, individually or in aggregate, will not be significant.

5.9 Segment reporting

According to IFRS 8 'Operating Segments,' operating segments must be identified based on the Group's internal reporting to the chief operating decision maker (CODM). The CODM is responsible for allocating resources to the segments and evaluating their performance. The Group has designated its CEO and Board of Directors (BoD) as the CODM.

An operating segment is a component of an entity:

-that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity);

-whose operating results are regularly reviewed by the entity's CODM to make decisions about resources to be allocated to the segment and assess its performance; and

-for which discrete financial information is available.

The Chief Operating Decision maker (CODM), that is the CEO and BoD, follows the business operations of both Real Estate (self-storage including services and rentals for other premises), and Ancillary Business (van rentals and moving services). CODM is responsible for allocating resources and assessing the Group's performance. Additionally, the Group's reporting structure and management framework are built around this unified model.

2024

1000 EUR	Real Estate	Ancillary Business	Eliminations and unallocated	Group Total
Revenue	17,109	5,606	-305	22,410
EBITDA	8,169	1,854	0	10,023
EBITDA %	48%	33%		45%
Adjusted EBITDA	8,224	1,856	0	10,080
Adjusted EBITDA %	48%	33%		45%
Operating profit	65,978	1,036	0	67,014
Operating profit %	386%	18%		299%
Capital expenditure	8 996 ¹	5,655		14,651

¹Capital expenditures for Real Estate totaled 8 996 thousand in 2024, with 4 297 thousand euros allocated to new facility investments and 4 699 thousand euros to other real estate investments.

2023

1000 EUR	Real Estate	Ancillary Business	Eliminations and unallocated	Group Total
Revenue	15,015	3,720	-274	18,461
EBITDA	6,423	1,237	0	7,660
EBITDA %	43%	33%		41%
Adjusted EBITDA	6,469	1,237	0	7,706
Adjusted EBITDA %	43%	33%		42%
Operating profit	9,125	679	0	9,804
Operating profit %	61%	18%		53%
Capital expenditure	7 757 ¹	3,107		10,864

¹Capital expenditures for Real Estate totaled 7 757 thousand in 2023, with 2 224 thousand euros allocated to new facility investments and 5 533 thousand euros to other real estate investments.

5.10 Investment Properties

Accounting principle

Investment property is defined as the land, building or part thereof that Cityvarasto occupies in order to obtain rental income or an increase in the value of the property, or for both reasons. The aforementioned asset may be owned directly or in the form of a company.

Freehold investment properties

Freehold investment properties are held to generate rental income and/or for capital appreciation. Initially, these properties are measured at cost, including transaction costs that are directly attributable to the acquisition or construction of an investment property.

After initial recognition, investment properties are measured at fair value, with gains and losses from changes in fair value included in profit or loss for the period. Ongoing maintenance expenses are expensed, while other expenditures expected to provide future economic benefits are capitalized.

Leased investment property

The Group leases properties that meet the definition of investment property. In the consolidated statement of financial position, leased investment properties are presented as investment property on a separate line item

Initially leased investment properties are measured at cost in accordance with IFRS 16. In measuring right-of-use assets, non-lease components are excluded. Lease payments for short-term leases (less than one year) and low-value asset leases are recognized as an expense on a straight-line basis in profit or loss.

After initial recognition, leased investment properties are measured at fair value, with gains and losses from changes in fair value included in profit or loss for the period they arise.

The fair value of investment properties held under lease agreements is determined internally by the Group's management. The Group applies a valuation approach based on the remaining lease obligations, reflecting the value of the right to use the property under the lease. In addition, the Group has prepared a cash flow model for these properties. The fair value of investment properties held under lease agreements typically decreases as the remaining lease term shortens. These properties are not included in the sensitivity analyses prepared by external valuers.

Fair value calculation model and valuation process

Freehold investment properties

After initial recognition, Cityvarasto values investment properties at fair value. The fair values of the Group's investment properties are determined on a site-by-site basis by an external independent valuator annually. In 2024 the estimates were prepared by JLL Finland Oy and in 2023 Cushman & Wakefield (Renium Advisors Oy). The valuer has used a model based on 10-year cash flow analyses to determine the fair values of investment properties. Thus, all the Group's investment properties are classified into Level 3 of the fair value hierarchy (for the definition of the levels, see note 5.5 Financial Assets and Liabilities).

The Group's management assesses the fair value of investment properties on a quarterly basis as part of its continuous valuation process. Formal external valuations are obtained annually. During interim periods, management evaluates whether there have been any market developments or property-specific events that could materially affect the fair value of the investment properties.

Fair value adjustments are typically recognised during interim periods only for those investments that are expected to enhance the value of the property ("change investments"), such as extensions of leasable area or energy efficiency improvements that increase future net cash flows or reduce operating costs.

If, based on management's assessment, significant market changes or property-specific events are identified, the Group may obtain an updated external valuation also outside the regular valuation cycle. Changes in value are recognised in the period in which the changes in value are recognised and presented in profit or loss (item Changes in fair value of freehold investment properties)

Business combinations and asset acquisitions

Acquisitions of investment properties are accounted for either as acquisitions of an asset (or a group of assets) or as business combinations. Determining whether there is a business combination requires management judgement.

Derecognition of investment property

Investment property is derecognized upon disposal or when it is permanently withdrawn from use with no expected future economic benefits. Any gain or loss from derecognition (calculated as the difference between the net disposal proceeds and the asset's carrying amount) is included in profit or loss for the period in which the property is derecognized.

Important accounting estimates and judgements

The Group's management uses discretion in assessing whether the fair values presented for investment properties represent their actual fair values in the most reliable way possible. While the external independent valuator delivers annual appraisals of the investment properties owned by Cityvarasto, management conducts a quarterly review of factors affecting fair values and makes fair value adjustments when appropriate. A new external valuation may also be commissioned outside the normal cycle if justified by significant market or property-specific developments.

2024			
EUR thousand	Freehold investment properties (Level 3)	Leased investment properties (Level 3)	Total
Cost at 1 January 2024	126,230	8,382	134,612
Additions	8,388	452	8,840
Disposals	0	-19	-19
Change in fair value of investment property	59,482	-1,047	58,435
Cost at 31 December 2024	194,100	7,767	201,867

2023			
EUR thousand	Freehold investment properties (Level 3)	Leased investment properties (Level 3)	Total
Cost at 1 January 2023	113,800	8,067	121,867
Additions	8,021	1,231	9,252
Disposals	0	0	0
Change in fair value of investment property	4,409	-917	3,492
Cost at 31 December 2023	126,230	8,382	134,612

Valuation methodology and assumptions

The key parameters used by the external valuator in the cash flow calculations of investment properties are presented below. Comparable data is not available for all periods, as the company has not previously prepared financial statements in accordance with IFRS and the same valuator has not been used consistently across reporting periods.

Freehold Investment property	2024	2023	1-Jan-23
Input Data:			
Net Yield Requirement (%)	6.55%	8.63%	8.45%
Market rent (EUR / m ² / month)	29.50	N/A	N/A
Average Financial Occupancy Rate for the Fiscal Year (%)	64.60	N/A	N/A
Inflation Assumption (%)	2.00%	2.00%	2.20%

Uncertainties and sensitivity analysis related to the parameters used in cash flow calculations

The key components of the fair values of investment properties are the yield requirement, market rents and occupancy rate. In the financial years 2024 and 2023, Cityvarasto used an external independent valuer to determine the fair values of investment properties, which produces estimates of the fair values of investment properties by object. In 2024 the estimates were prepared by JLL Finland Oy and in 2023 Cushman & Wakefield (Renium Advisors Oy).

Changes in the parameters used in cash flow calculations have a direct impact on the Group's profit or loss and financial position through changes in the fair values of investment properties. The discount rate applied in the cash flow calculations is based on market yield requirements and inflation expectations, which are assessed on a region-specific basis. Assuming other parameters remain unchanged, an increase in the yield requirement or inflation expectations will reduce the fair value of an investment property, whereas a decrease in those assumptions will increase it.

Market rental levels and their expected development also affect fair values. An anticipated increase in rental levels raises future cash flows and thus increases the fair value, while expectations of declining market rents have the opposite effect.

Other key parameters affecting the fair values of investment properties include estimates related to future rental income, maintenance costs, occupancy rates and future investments. For example, an expected decline in occupancy rates reduces the fair value, while a higher expected occupancy rate increases it. Maintenance costs and capital expenditures, such as renovation investments, reduce the net cash flow in the valuation model and thus decrease the fair value of investment properties.

The fair values of investment properties are sensitive to changes in the market assumptions used in the calculations. The following table presents a sensitivity analysis, illustrating the effect of changes in the market yield requirement and in market rents on the fair values of the Group's investment properties. In sensitivity analysis, one parameter is changed at a time, but in reality, parameter changes often occur at the same time.

Sensitivity analysis 31.12. 2024

Change in the yield requirement on 31 December 2024	-10%	-5%	0%	5%	10%
Fair value (EUR 1000)	218,000	205,100	194,100	183,600	174,400
Change (EUR 1000)	23,900	11,000	-	-10,500	-19,700
Change %	12.31%	5.67%	0.00%	-5.41%	-10.15%

Change in market rents 31 December 2024	-4%	-3%	-2%	-1%	0%
Fair value (EUR 1000)	190,000	191,000	191,800	192,800	194,100
Change (EUR 1000)	-4,100	-3,100	-2,300	-1,300	-
Change %	-2.11%	-1.60%	-1.18%	-0.67%	0.00%

Additionally, significant decreases (increases) in the long-term occupancy rate in isolation would result in a significantly lower (higher) fair value.

Sensitivity analysis 31.12.2023

Change in the yield requirement on 31 December 2023	-10%	-5%	0%	5%	10%
Fair value (EUR 1000)	133,050	129,460	126,230	123,307	120,650
Change (EUR 1000)	6,820	3,230	-	-2,923	-5,580
Change %	5.40%	2.56%	0.00%	-2.32%	-4.42%

Change in market rents 31 December 2023	-4%	-3%	-2%	-1%	0%
Fair value (EUR 1000)	117 383	119 595	121 807	124 018	126 230
Change (EUR 1000)	-8 847	-6 635	-4 423	-2 212	-
Change %	-7,01 %	-5,26 %	-3,50 %	-1,75 %	0,00 %

Additionally, significant decreases (increases) in the long-term occupancy rate in isolation would result in a significantly lower (higher) fair value.

As the valuers have changed during the fiscal year 2024, the sensitivity analyses are not directly comparable.

Other notes

6.1 Impairment testing

Accounting principles

The carrying values of goodwill, other intangible assets and property, plant and equipment are reviewed regularly for indication of impairment.

Goodwill is reviewed for impairment annually or whenever events or changes in circumstances indicate a possible impairment. The carrying value of a cash-generating unit, including goodwill, is compared to its recoverable amount, whichever is higher: value in use or fair value less cost to sell. In the event that the recoverable amount of the asset is less than the asset's carrying value, an impairment loss is recorded on the asset so that the carrying value corresponds to the recoverable amount. Any impairment is immediately recorded as an expense in the income statement, and is not reversed later.

The assets and liabilities for the impairment testing of goodwill are allocated to cash-generating units (CGUs). The cash-generating units are defined at the level of reportable segments. As at 1.1.2023, 31.12.2023, and 31.12.2024, the Group has allocated the entire carrying amount of goodwill to the Ancillary Business, representing the lowest level at which management monitors goodwill internally:

Goodwill, EUR thousand	31-Dec-24	31-Dec-23	1-Jan-23
Real Estate	0	0	0
Ancillary Business	342	342	303

Cityvarasto determines the recoverable amount of a cash-generating unit based on value in use calculation. Value in use is determined by discounting the expected future free cash flows of the cash-generating unit. The carrying amount of a cash-generating unit includes net working capital and non-current assets, including goodwill.

Estimates approved by the management and development derived from strategic plans for the next five years are used in the value-in-use calculations. For the period not covered by the five-year period, the cash flows are calculated using the terminal value method. The terminal growth rate of 2.0% is based on management's estimate of cautious long-term growth.

The discount rates (WACCs) used in the calculations reflect the current estimate of the value of money and the market risk premiums to the cash-generating unit. Together, these reflect risks and uncertainties that have not been taken into account in future cash flow estimates.

Important accounting estimates and judgements

Management uses significant judgment and discretion in determining whether there are indications of goodwill impairment. Cash flow forecasts are based on budgets and financial estimates approved by management covering a 5-year period. Cash flow forecasts are based on Group's existing business structure, actual results and management's best estimates of future revenue, cost trends, general market conditions and applicable tax rates.

Parameters underlying the cash flow projections include assumptions on business growth during the forecast period, margin development, level of networking capital, terminal year growth and weighted average cost of capital (WACC). These growth assumptions are based on the management assessment of the market demand and the margin development and networking capital assumptions are based on internal targets, which are evaluated against actual performance. The growth of cash flows for the subsequent terminal year is conservatively based on expected long-term inflation. Key details of the model and assumptions used for terminal growth and WACC are presented below. Assumptions are based on internally and externally available information.

Management tests the effects of changes in significant estimates related to forecasts with sensitivity analysis as described below.

As at 1.1.2023, 31.12.2023, and 31.12.2024, the Group has allocated the entire carrying amount of goodwill to the Ancillary Business, representing the lowest level at which management monitors goodwill internally.

	31-Dec-24	31-Dec-23	1-Jan-23
Length of period to be tested	5 years+ terminal year	5 years+ terminal year	5 years+ terminal year
Growth factor in the terminal year, %	2%	2%	2%
Discount rate (Pre-tax WACC), %	11.4%	12.2%	13.7%

During the transition period of 1 January 2023 and 31 December 2023 and on the balance sheet date 31 December 2024, the recoverable amount of the cash-generating unit exceeded its carrying amount, so no impairment was recognised.

Sensitivity analysis

The key assumptions in impairment testing are the discount rate, the average sales growth over five years, the EBITDA as a percentage of revenue, and the growth rate after the forecast period. Management estimates that no reasonably possible change in any of the key parameters used would cause the carrying amount to exceed its recoverable amount.

6.2 Intangible assets

Accounting Principle

Goodwill

Goodwill arises from a business combination and corresponds to the amount by which the cost transferred exceeds the fair value of the identifiable net assets at the date of acquisition.

For impairment testing, goodwill arising from business combinations will be allocated to a cash-generating unit that is expected to benefit from the synergies created by the business combination.

When property is acquired, whether through corporate acquisitions or other means, management evaluates the nature of the assets and operations of the acquired entity to determine if the acquisition constitutes a business. If the acquisition is not deemed to be a business, it is not treated as a business combination. Instead, the acquisition cost, including directly attributable expenses, is allocated among the identifiable assets and liabilities of the entity based on their relative values at the acquisition date. Refer to note 1.2 Basis of preparation for more clarifications.

The accounting policies for impairment of the Group's goodwill are presented in Note 6.1 Impairment testing.

Other intangibles assets

Other intangible assets includes mainly software expenditures that are capitalised.

Expenses relating to the purchase of new software are capitalised as an intangible asset if these costs are not part of the original hardware costs. Software is depreciated usually over 5 years or the duration of the license period.

The intangible assets with finite useful lives are initially measured at cost and amortised over their useful lives. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. An intangible asset should be recognised only if the cost of the asset can be measured reliably and if it is probable that the expected economic benefits from the asset will flow to the Group.

Following initial recognition, intangible assets are recorded at their original cost, less any accumulated amortization and impairment losses. Internally generated intangible assets, except for capitalized development costs, are not recognized as assets. Instead, the related expenses are charged to profit or loss in the period when they are incurred.

Derecognition

An intangible asset is removed from the balance sheet when it is either disposed of (i.e., when the buyer gains control) or when no further economic benefits are anticipated from its use or sale. Any resulting gain or loss from derecognition, determined as the difference between the net proceeds from disposal and the asset's carrying value, is recorded in the profit or loss statement.

31-Dec-24			
EUR thousand	Goodwill	Other Intangible asset	Total
Cost at 1 January 2024	342	2,298	2,640
Additions	0	608	608
Cost at 31 December 2024	342	2,906	3,248
Accumulated amortisation and impairment losses at 1 January 2024	0	-1,528	-1,528
Amortisation and impairment losses for the financial year	0	-390	-390
Accumulated amortisation and impairment losses on 31 December 2024	0	-1,918	-1,918
Net Book Value on 31 December 2024	342	988	1,329

31-Dec-23			
EUR thousand	Goodwill	Other Intangible asset	Total
Cost at 1 January 2023	303	1,880	2,183
Additions	39	418	457
Cost at 31 December 2023	342	2,298	2,640
Accumulated amortisation and impairment losses at 1 January 2023	0	-1,211	-1,211
Amortisation and impairment losses for the financial year	0	-317	-317
Accumulated amortisation and impairment losses on 31 December 2023	0	-1,528	-1,528
Net Book Value on 1 January 2023	303	669	972
Net Book Value on 31 December 2023	342	770	1,111

6.3 Tangible assets

Accounting policy

Cityvarasto Group's tangible fixed assets primarily consist of it equipment, moving cars and vans.

These assets are recorded at acquisition cost, net of depreciation and impairment. The acquisition cost includes all directly attributable expenses, such as installation and transportation costs, that can be reliably verified. Any government grants related to fixed assets are deducted from the acquisition cost. There are no borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets.

Tangible assets are depreciated on a straight-line basis over their estimated useful lives. The residual value and useful life of assets shall be reviewed at least at the end of each financial year. Gains and losses arising from the sale of Tangible assets are recognised in the income statement and presented as other operating income and expenses.

The estimated useful lives are as follows:

- Machinery and equipment: 5-10 years
- Vans: 10 years

2024			
EUR thousand	Machinery and Equipment	Vans	Total
Acquisition cost as at 1.1.2024	3,916	4,783	8,699
Additions	581	5,389	5,969
Disposals	-40	-274	-315
Acquisition cost as at 31.12.2024	4,456	9,897	14,354
Accumulated depreciation and impairment losses as at 1.1.2024	-2,960	-402	-3,362
Depreciation and impairment losses for the financial year	-520	-534	-1,054
Accumulated depreciation and impairment losses as at 31.12.2024	-3,480	-936	-4,416
Carrying amount 31.12.2024	977	8,961	9,938

2023			
EUR thousand	Machinery and Equipment	Vans	Total
Acquisition cost as at 1.1.2023	3,878	2,434	6,313
Additions	91	2,429	2,519
Disposals	-53	-80	-133
Acquisition cost at 31.12.2023	3,916	4,783	8,699
Accumulated depreciation and impairment losses as at 1.1.2023	-2,303	-28	-2,331
Depreciation and impairment losses for the financial year	-657	-374	-1,031
Accumulated depreciation and impairment losses as at 31.12.2023	-2,960	-402	-3,362
Carrying amount 31.12.2023	956	4,381	5,337
Carrying amount 1.1.2023	1,575	2,406	3,982

6.4 Related parties transactions

Cityvarasto Oyj's related parties include significant shareholders, the group's parent company, subsidiaries, associated companies, members of the Board of Directors and the Executive Management Team, including the CEO of the parent company, and their close family members and entities where these persons exercise control or joint control.

Balances and transactions between the parent and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. Related party transactions with related parties that are not eliminated in the consolidated financial statements are presented as related party transactions. Information on guarantees for Group companies is presented in Note 5.8.

Transactions with related parties

EUR thousand	2024	2023
Sales to related parties	7	0
Purchases from related parties	236	15
Salaries and remunerations to related parties (excluding key management personnel)	18	26
Dividends to related parties	588	522
Total	849	564

Balances with related parties

EUR thousand	31-Dec-24	31-Dec-23	1-Jan-23
Loan receivable from related parties	37	40	43
Total	37	40	43

The company has given a loan to its related parties (member of the Board of Directors) for the purpose of repurchasing the company's own shares. The interest rate on the loan is 0.25% and the repayment is by 30.4.2040. No security has been provided for the loan.

Employment benefits for key senior management personnel	31-Dec-24	31-Dec-23
EUR thousand		
Salaries and other short-term employee benefits	849	934
Total	849	934

6.5 Events after the reporting period

The company has signed a lease agreement for a approximately 600 m² mutual real estate in Jyväskylä and a approximately 500 m² mutual real estate in Itäkeskus, Helsinki. A new small storage facility will be opened at both locations during 2025.

A new small warehouse location in the center of Hyvinkää opened in February 2025.

The companies Koy Veneentekijäntie 16 and Koy Malmin Yritystalo, which were part of the Group at the time of the financial statements, merged with the parent company on January 31, 2025 and February 28, 2025 respectively.

The company acquired a new property in Riihimäki in February. A new small warehouse location will be opened at the site during 2025.

The company's Annual General Meeting for 2025 was held on June 3, 2025.

In June, the company acquired a new property in Järvenpää. A new self-storage facility is expected to open at the site during 2026.

In May, the company opened a new self-storage facility in Leppävaara, Espoo. A new self-storage facility was also opened in Tampere in May.

Signatures to the Financial Statements

Vantaa, 25.8.2025

Aki Kostiander
Chairman of the Board

Ville Stenroos
Board member, CEO

Salla Tuominen
Board member

Henrik Christensen
Board member