

Unofficial english translation

CONSOLIDATED SET OF FINANCIAL STATEMENTS

Cityvarasto Oyj

Business ID: 1561027-4

01.01.2022 - 31.12.2022

These financial statements must be kept until 31.12.2032

Consolidated set of financial statements for the financial year 01.01.2022 - 31.12.2022

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The set of financial statements shall be kept for at least 10 years from the end of the financial year.

The supporting documents for the financial year must be kept for at least 6 years from the end of the year in which the financial year ended.

Address: Vetokuja 4, 01610 Vantaa

Business ID: 1561027-4

Domicile: HELSINKI

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Consolidated Balance Sheet

	31.12.2022	31.12.2021
ASSETS		
Non-current assets		
Intangible assets		
Development costs	166 982	143 911
Goodwill	39 894	4 917
Group goodwill	263 389	364 729
Other long term expenses	632 841	655 177
Prepayments	124 869	209 362
Intangible assets total	1 227 975	1 378 096
Tangible assets		
Investment properties	113 800 000	100 835 200
Machinery and equipment	2 745 349	2 198 796
Tangible assets total	116 545 349	103 033 996
Other investment		
Other shares	0	1 000 200
Investments total	0	1 000 200
Non-current assets total	117 773 324	105 412 292
Current assets		
Inventories		
Materials	15 000	14 981
Inventories total	15 000	14 981
Receivables		
Long term		
Other receivables	60 150	42 550
Deferred tax receivables	9 156	5 310
Long term receivables total	69 306	47 860
Short term		
Trade receivables	1 161 827	1 120 003
Other receivables	103 261	157 206
Prepayments and accrued income	146 604	212 083
Short term receivables total	1 411 692	1 489 292
Receivables total	1 480 998	1 537 152
Financial assets		
Other shares	1 035 959	60 273
Financial assets total	1 035 959	60 273
Cash and cash equivalents	3 947 773	6 128 217
Current assets total	6 479 730	7 740 623
ASSETS TOTAL	124 253 054	113 152 915

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EQUITY AND LIABILITIES	31.12.2022	31.12.2021
Equity		
Share capital	80 000	80 000
Fair value reserve	0	25 705
Invested unrestricted equity fund	17 148 214	17 148 214
Retained earnings	49 304 410	38 025 558
Profit for the period	7 683 420	11 772 290
Equity attributable to owners of the parent company	74 216 044	67 051 767
Liabilities		
Non-current liabilities		
Financial liabilities	26 922 026	27 587 623
Trade and other payables	1 676 546	1 135 875
Deferred tax liabilities	13 777 721	12 188 060
Non-current liabilities total	42 376 293	40 911 558
Current liabilities		
Financial liabilities	4 554 603	2 644 222
Trade payables	1 854 865	1 511 697
Other payables	792 246	852 773
Accruals and deferred income	459 003	174 279
Deferred tax liabilities	0	6 619
Current liabilities total	7 660 717	5 189 590
Liabilities total	50 037 010	46 101 148
EQUITY AND LIABILITIES TOTAL	124 253 054	113 152 915

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Consolidated Profit & Loss

	1.1.2022 - 31.12.2022	1.1.2021 - 31.12.2021
Revenue	16 697 690	12 972 143
Other operating income	5 853	59 811
Materials and services		
Materials and change of inventories	-10 379	-33 023
Services	-80 752	-157 964
Materials and services total	-91 131	-190 987
Personnel expenses		
Wages and salaries	-2 471 082	-1 785 409
Social security expenses	-467 478	-344 250
Pension expenses	-416 158	-294 764
Other social security expenses	-51 320	-49 486
Personnel expenses total	-2 938 560	-2 129 659
Depreciation and amortization		
Depreciation	-1 392 527	-929 407
Depreciation of goodwill	-101 340	-101 340
Profit/loss on sale of investment properties	815 000	0
Profit/loss on fair value of investment properties	4 877 035	11 358 260
Depreciation and amortization total	4 198 168	10 327 513
Other operating expenses	-7 767 781	-5 844 574
Operating profit	10 104 239	15 194 247
Financial income and expenses		
Received dividends	1 559	1 007
Other financial income	69 825	40 516
Financial expenses	-825 902	-625 036
Financial income and expenses net	-754 518	-583 513
Profit before taxes	9 349 721	14 610 734
Income taxes	-1 666 301	-2 838 365
Other direct taxes	0	-79
Profit (loss) for the period	7 683 420	11 772 290

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Parent Company's Balance Sheet

	31.12.2022	31.12.2021
ASSETS		
Non-current assets		
Intangible assets		
Goodwill	13 071,00	4 916,67
Other long term expenses	1 247 288,45	995 516,54
Prepayments	3 967 143,44	1 777 312,17
Intangible assets total	5 227 502,89	2 777 745,38
Tangible assets		
Land areas	4 650 351,46	4 437 240,27
Buildings	33 473 078,45	31 708 473,97
Machinery and equipment	2 616 299,42	2 181 399,46
Tangible assets total	40 739 729,33	38 327 113,70
Investments		
Shares in group companies	925 009,76	412 534,88
Other shares and other equity	1 671 472,54	2 395 928,59
Investments total	2 596 482,30	2 808 463,47
Non-current assets total	48 563 714,52	43 913 322,55
Current assets		
Raw materials and consumables	15 000,00	14 981,46
Stocks total	15 000,00	14 981,46
Receivables		
Long term		
Receivables from group companies	916 356,96	250 000,00
Other receivables	40 150,00	42 550,00
Long term receivables total	956 506,96	292 550,00
Short term		
Trade receivables	986 051,66	1 105 446,50
Receivables from group companies	84 166,96	404 561,45
Loan receivables	0,00	182 556,96
Other receivables	77 934,87	136 584,55
Prepaid expenses and accrued income	143 829,39	208 627,18
Short term receivables total	1 291 982,88	2 037 776,64
Receivables total	2 248 489,84	2 330 326,64
Financial assets		
Other shares	1 035 958,60	60 273,01
Financial assets total	1 035 958,60	60 273,01
Cash and cash equivalents	3 087 312,41	5 585 546,88
Current assets total	6 386 760,85	7 991 127,99
ASSETS TOTAL	54 950 475,37	51 904 450,54

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Parent Company's Balance Sheet

	31.12.2022	31.12.2021
ASSETS		
Equity		
Share, equity or other equivalent capital	80 000,00	80 000,00
Revaluation reserve	0,00	25 704,78
Other funds		
Invested unrestricted equity fund	18 213 275,99	18 213 275,99
Profit (loss) of previous financial years	1 029 765,79	1 369 298,77
Profit for the period	1 166 966,29	153 904,65
Equity attributable to owners of the Company	20 490 008,07	19 842 184,19
Accumulation of appropriations		
Cumulative accelerated depreciation difference	865 546,56	296 166,91
Accumulation of appropriations total	865 546,56	296 166,91
Liabilities		
Non-current liabilities		
Loans from financial institutions	26 810 231,87	27 392 676,92
Trade payables	27 225,44	37 125,76
Non-current liabilities total	26 837 457,31	27 429 802,68
Current liabilities		
Loans from financial institutions	4 457 148,38	2 546 767,56
Trade payables	1 054 597,38	925 977,41
Liabilities to group companies	234 630,21	18 000,00
Other liabilities	652 209,52	711 915,25
Accruals and deferred income	358 877,94	133 636,54
Current liabilities total	6 757 463,43	4 336 296,76
Liabilities total	33 594 920,74	31 766 099,44
EQUITY AND LIABILITIES TOTAL	54 950 475,37	51 904 450,54

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Parent Company's Consolidated Profit & Loss

	1.1.2022 - 31.12.2022	1.1.2021 - 31.12.2021
Revenue	13 632 140,58	10 977 256,17
Other operating income	1 285 077,85	34 457,41
Materials and services		
Materials, supplies and goods		
Purchases during the financial year	-2 536,81	-18 595,49
Changes in inventories	18,54	0,00
External services	-4 428,00	0,00
Materials and services total	-6 946,27	-18 595,49
Personnel expenses		
Wages and salaries	-1 704 412,39	-1 504 648,66
Social security expenses	-301 050,94	-285 485,47
Pension expenses	-277 238,54	-246 468,78
Other social security expenses	-23 812,40	-39 016,69
Personnel expenses total	-2 005 463,33	-1 790 134,13
Depreciation and amortization		
Depreciation according to plan	-3 354 943,35	-2 851 004,37
Impairment of non-current assets	0,00	-5 143,22
Depreciation and amortization total	-3 354 943,35	-2 856 147,59
Other operating expenses	-6 917 940,32	-5 388 496,80
Operating profit	2 631 925,16	958 339,57
Financial income and expenses		
Income from other fixed assets investments		
From others	1 558,88	1 007,03
Other interest and financial income		
From Group companies	0,00	18 219,41
From others	61 535,29	35 937,05
Impairment of short term financial securities	-3 512,44	0,00
Interest and other financial expenses		
For others	-732 816,08	-563 352,15
Financial income and expenses total	-673 234,35	-508 188,66
Profit before appropriations and taxes	1 958 690,81	450 150,91
Appropriations		
Change in depreciation difference	-569 379,65	-296 166,91
Intragroup transfers, paid	-165 000,00	0,00
Total appropriations	-734 379,65	-296 166,91
Income taxes	-57 344,87	0,00
Other direct taxes	0,00	-79,35
Profit (loss) for the period	1 166 966,29	153 904,65

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Consolidated statement of cash flows

Cash flows from operating activities	01.01.2022 -31.12.2022
Profit before taxes	9 349 721
Adjustments	
Depreciation, impairment and fair value changes	-4 198 168
Financial income and expenses	754 518
Cash flow before change in working capital	5 906 071
Changes in working capital:	
Increase (-) / decrease (+) in short-term trade receivables and other receivables	129 495
Increase (+) / decrease (-) in short-term trade payables and other non-interest-bearing liabilities	456 232
Operating cash flow before financing items and taxes	6 491 798
Interest paid and other financial costs	-778 184
Received interest and other financial income	71 384
Direct taxes paid	-15 722
Cash flow from operating activities	5 769 276
Cash flow from investments	
Investments in intangible and tangible assets	-10 819 757
Sale of intangible and tangible assets	1 415 000
Other investments and long term loans	0
Sale of other investments and repayments of loans	2 400
Cash flow from investing activities	-9 402 357
Cash flow from financing	
Loan withdrawals	4 774 635
Loan repayments	-2 828 560
Dividends paid	-493 438
Cash flow from financing activities	1 452 637
Change in cash and cash equivalents	-2 180 444
Cash and cash equivalents at the beginning of the review period	6 128 217
Cash and cash equivalents at the end of the review period	3 947 773

Notes to the consolidated set of financial statements

These consolidated financial statements for the financial year ended 31 December 2022 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, nor have they been approved by the company's Annual General Meeting. This set of financial statements includes the consolidated and parent company balance sheets, income statements and notes, as well as the consolidated statement of cash flows.

The financial statements are an unofficial English translation of Cityvarasto Plc's official 2022 financial statements. The English translation of the financial statements is unaudited.

Cityvarasto Oyj is the parent company of the Cityvarasto Group, which is domiciled in Helsinki.

Copies of the consolidated financial statements are available from Cityvarasto Oyj's head office, Vetokuja 4, 01610 Vantaa, Finland.

Accounting policies

Valuation principles and methods

Receivables, financial securities and other such financial assets, as well as liabilities, have been valued in accordance with Chapter 5, Section 2 of the Accounting Act.

In the company's previous financial statements, financial securities have been valued at market value at the balance sheet date. The valuation method has been changed and the fair value reserve for financial securities and the related deferred tax liabilities have been liquidated and recognised as income in the financial statements.

Valuation and accrual principles of non-current assets

Non-current assets are capitalized at direct acquisition cost less accumulated depreciations according to plan.

Development costs, goodwill and other long-term costs

In the company, goodwill is depreciated on a straight-line basis in 5 years. Group goodwill is depreciated on a straight-line basis in 5 years.

Capitalized land leases are depreciated on a straight-line basis over the lease term. Capitalized self storage renovation costs are depreciated during the remaining lease period, but not more than 5 years. Other long-term expenditure is depreciated on a straight-line basis over 5 years.

Depreciation of machinery and equipment, buildings or other tangible assets

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Machinery and equipment are depreciated at a rate of 25% of residual expenditure.

The depreciation of machinery and equipment during the period has been carried out in accordance with the presumption principles, with the exception of part of the equipment acquired during the financial year, which totals EUR 993,313.36 in terms of acquisition costs in the company. Their depreciation has been made in compliance with the maximum depreciation rate allowed by the Depreciation Tax Relief Act. If the company had complied with the maximum depreciation rates normally acceptable for tax purposes, the result for the financial year before taxes would have been EUR 248.328,34 higher.

For the Group, the total acquisition cost of the equipment subject to the Tax Relief Act is EUR 1,748,826.16. If the group would have complied with the maximum depreciation rates normally acceptable for tax purposes, the profit before taxes for the financial year would have been EUR 437.206,54 higher.

Buildings and structures are valued at cost less accumulated planned depreciation. The land is valued at cost.

In the consolidated financial statements, investment properties have been valued at fair value in accordance with Chapter 5, Section 2 b of the Accounting Act. Property valuations have been prepared by an external AKA-authorized real estate appraiser.

Accounting policies

Scope of the consolidated set of financial statements

All group companies are consolidated in the consolidated financial statements. Subsidiaries are consolidated in the consolidated financial statements from the moment the group acquires control until the control ceases.

Subsidiaries belonging to the Group at the balance sheet date

	Parent company holding	Group holding
Name and domicile of the company	(%)	(%)
Cityvarasto Oü, Tallinn	100	100
Suomen Opiskelijamuutot Oy, Helsinki	100	100
Autokaupoille.com Oy, Helsinki	100	100
Pakuovelle.com Oy, Helsinki	0	100
Kiinteistö Oy Olavinkatu 45, Savonlinna	100	100
Viitoskallio Oy, Hyvinkää	100	100
Kiinteistö Oy Kuusankosken Kauppakulma, Kouvola	100	100

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Presentation of accounting policies for the consolidated set of financial statements

Internal shareholding

Consolidated financial statements are prepared using the cost method. The difference between the acquisition cost of subsidiaries and equity corresponding to the acquired interest is presented as group goodwill. Group goodwill is depreciated on a straight-line basis over 5 years.

Internal transactions and margins

Intra-group transactions and receivables and liabilities have been eliminated.

Investment properties in the consolidated set of financial statements

The Group holds investment properties for the purpose of obtaining rental income or due to an increase in the value of assets, or for both reasons. The fair value model in accordance with IAS 40 applies to the valuation of investment property. In this case, the gain or loss arising from changes in fair value is recognised in profit or loss for the period in which it arises.

In the parent company, investment properties are initially measured at cost, including transaction costs. After the initial recognition, investment properties have been recorded at fair value in the consolidated financial statements. Fair value is the price that would be obtained from the sale of an asset or the payment of a liability transfer between market participants in a normal transaction at the valuation date. The fair value of investment properties reflects the market conditions at the balance sheet date.

The fair value of investment properties is determined using the return value method. The most relevant input data used in determining fair value are the property-specific yield requirement, the estimated future occupancy rate of the property and the cash flow from the property.

Gains and losses on the sale of investment properties are presented as a separate item in the income statement. Investment properties have been recorded at fair value using an estimate of the fair value of real estate assets owned by the Group by an AKA-authorized appraiser with external independent industry experience. Leased properties are excluded from fair value treatment.

Investment properties

	2022	2021
Investment properties 01.01.	100 835 200	76 900 000
Investments	8 087 765	12 576 940
Sale of investment properties	-600 000	0
Change in fair value	4 877 035	11 358 260
Investment properties 31.12.	113 800 000	100 835 200

Information on the parent company

As a subsidiary, the company belongs to a Group whose parent company is Stonerose Holding Oy, domiciled in Helsinki.



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Staff

Average number of employees	PARENT COMPANY		GROUP	
	2022	2021	2022	2021
Employees	44	46	64	53

Treasury shares held by the company

The company holds a total of 39,265 treasury shares.

The Group holds 149 of its own shares in subsidiary PakuOvelle.com Oy and 39,265 own shares in the parent company Cityvarasto Oyj.

Loans to and commitments on behalf of the Managing Director and members of the governing bodies

Information on money loans and their terms

	PARENT COMPANY		GROUP	
	2022	2021	2022	2021
Loans to related parties	42 666,28	45 066,28	42 666	45 066

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.

Long-term loans

	PARENT COMPANY	GROUP
Non-current liabilities	2022	2022
After more than five years, maturing	13 849 008,40	13 922 526

Notes on off-balance-sheet liabilities and collateral

Liabilities secured

	PARENT COMPANY		GROUP	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Loans to financial institutions	31 267 380,25	29 939 444,48	31 746 629	30 231 845
Installment debts	37 125,60	47 025,76	2 279 297	1 580 068

The company and the Group have issued real estate and corporate mortgages as collateral for the loans, and subsidiary shares have been pledged on behalf of the commitments.

The company and the Group have installment debts for which acquired assets has been pledged as collaterals. Some of the installment debts have been guaranteed by the parent company.

Off-balance-sheet commitments

	PARENT COMPANY		GROUP	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Rent guarantees	65 137,18	57 123,00	65 137	57 123
Rental and leasing liabilities	10 537 684,69	10 919 919,00	10 537 685	10 919 919
Payments to be made in the next financial year	1 078 156,30	1 037 185,00	1 078 156	1 037 185
To be paid later	9 459 528,39	9 882 734,00	9 459 528	9 882 734
Total off-balance-sheet commitments	10 602 821,87	10 977 042,00	10 602 822	10 977 042

Pension liabilities

The company's pension liabilities are insured with external pension insurance companies. Pension liabilities are fully covered.

Liability for checking VAT on real estate

The company and the Group are obliged to review the VAT deductions they have made on renovation expenses made up to the balance sheet date if the taxable use of the property decreases during the review period.

The maximum amount of liability at the end of 2022 is EUR 965,572.92, and the last review year is 2032.

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Changes in equity

	PARENT COMPANY		GROUP	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Share capital 01.01.	80 000,00	80 000,00	80 000	80 000
Share capital 31.12	80 000,00	80 000,00	80 000	80 000
Fair value reserve 01.01.	25 704,78	8 541,99	25 705	8 542
Change in fair value reserve	-25 704,78	17 162,79	-25 705	17 163
Fair value reserve 31.12.	0,00	25 704,78	0	25 705
Total capital employed	80 000,00	105 704,78	80 000	105 705
SVOP Fund 01.01.	18 213 275,99	10 867 218,37	17 148 214	9 802 156
Increase in invested unrestricted equity	0,00	7 346 007,62	0	7 346 058
SVOP Fund 31.12	18 213 275,99	18 213 275,99	17 148 214	17 148 214
Profit (loss) of previous financial years 01.01.	1 523 203,42	1 721 545,64	49 797 848	38 377 755
Dividends paid	-493 437,63	-352 196,87	-493 438	-352 197
Profit (loss) of previous financial years 31.12	1 029 765,79	1 369 348,77	49 304 410	38 025 558
Net profit (loss) for the period	1 166 966,29	153 904,65	7 683 420	11 772 290
Total unrestricted equity	20 410 008,07	19 736 479,41	74 136 044	66 946 062
TOTAL EQUITY	20 490 008,07	19 842 184,19	74 216 044	67 051 767

Calculation of distributable unrestricted equity under Section 13:5 of the Finnish Companies Act

Reserve for invested unrestricted equity	18 213 275,99
Profit from previous financial years	1 029 765,79
Net profit (loss) for the period	1 166 966,29
Total unrestricted equity	20 410 008,07
Total distributable equity	20 410 008,07

Signatures of the set of financial statements

Helsinki,

Aki Kostiander

Chairman of the Board

Ville Stenroos

Member of the Board

Salla Tuominen

Member of the Board

Henrik Christensen

Member of the Board

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List of accounting and materials

Diary	Electronic archive
General ledger	Electronic archive
Financial statement	Electronic archive
Balance sheet specifications	Electronic archive

Types of vouchers and method of retention

Sales invoices	Electronic archive
Purchase invoices	Electronic archive for the registration of supporting documents
E-invoices (purchase invoices)	Electronic archive
Travel and expense invoices, memos	Electronic archive
Wages	Electronic archive
Bank statements, proof of payment	Electronic archive
VAT calculations	Electronic archive
Periodic tax returns	Electronic archive
Supporting documents	Electronic archive

The original purchase invoices received on paper are stored on paper by the party with an accounting obligation. If the paper invoice has been scanned, the invoice will only be stored electronically in a paperless archive.

The original receipts attached to the receipt related to travel and expense invoices are stored on paper by the party with an accounting obligation. If the paper invoice or its attachments have been scanned, they will only be stored electronically in a paperless archive.