

Unofficial English translation

# **CONSOLIDATED FINANCIAL STATEMENTS AND BOARD OF DIRECTORS' REPORT**

Cityvarasto Oyj

Business ID 1561027-4

Financial Statements for the period

**1.1.2020 - 31.12.2020**

These financial statements must be retained until 31.12.2030.

Y-1561027-4

**Cityvarasto Oyj**  
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The consolidated financial statements must be retained for at least 10 years from the end of the financial year. (Accounting Act 2:10.1 §)

The voucher material for the financial year must be retained for at least 6 years after the end of the financial year during which the financial year ended.

The financial statements were prepared by:  
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# Board of Directors' Report

## 2020 Highlights

- Comparable revenue 11,4 MEUR, growth 10,6 % \*
- Comparable EBITDA 4,2 MEUR, growth 32,8 % \*
- Revenue 10,9 MEUR, growth 6,2 %
- EBITDA 3,8 MEUR, growth 18,6 %
- Value of investment properties 76,9 MEUR, growth 17,8 %
- Outcome before financial statement transfers and taxes 9,7 MEUR
- Equity ratio 56,4 %
- Return on equity 24,4 %
- Return on investment 15,4 %
- Total floor area 111 700 m<sup>2</sup>
- 42 self storage facilities

\* The change in the accounting method from invoice basis to accrual method reduced the revenue recorded for 2020 by 0,45 MEUR.

## Key figures

MEUR	2020 adjusted *	2020	2019
Revenue	11,4	10,9	10,3
EBITDA	4,2	3,8	3,2
Appreciation of real properties	7,4	7,4	5,2
Operating profit	10,7	10,3	7,5
Profit for the financial year	8,1	7,8	5,5
Equity ratio	56,5 %	56,4 %	50,2 %
Return on equity	25,4 %	24,4 %	23,2 %
Return on investment	16,1 %	15,4 %	14,0 %
<b>EUR</b>			
Earnings per share	1,35	1,29	1,05
Dividend	0,06	0,06	0,05

\* The change in the accounting method from invoice basis to accrual method reduced the revenue recorded for 2020 by 0,45 MEUR.

## Group in brief

Cityvarasto Plc (Oyj) is a Finnish nationwide self storage company founded in 1999. Currently, as of April 2021, the company operates 44 self storage facilities in the largest cities all across Finland. In addition to renting out self storage units, the company offers to its customers packaging materials, delivery and

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reception services and self storage insurance, leases bulk space and business centers, and provides a P.O.Box address service.

The group has a 100 % ownership in PakuOvelle.com Ltd, which is Finland's best-known van-rental company, that also rents out moving boxes and offers removal services through its subcontractors. Vans can be booked on line and picked-up from self service points around the Helsinki metropolitan area, in Turku, Tampere and Kuopio.

### **Strategy**

Urbanization, ever smaller apartments and storage spaces, and the abundance of material possessions create an increasing demand for self storage solutions and rental van services. Immigration is on the rise, and people need more extra space. The Group's focus is to grow its business and to improve its relative profitability at the same time. In Finland, the self storage business is constantly growing, and for example in Sweden there is currently 1,7 times more self storage space per inhabitant than in Finland (FEDESSA European Self Storage Annual Survey 2020).

The Group's is a nationwide forerunner of self storage business in Finland. It is devoted to creating an excellent customer experience. That can be achieved with a comprehensive offering, user-friendly online services and a committed staff. Customer satisfaction is measured with various indicators, and it has constantly remained high. For example, more than 95% of the respondents to a customer satisfaction survey by the parent company said they were satisfied or very satisfied with the service.

The Group includes the best known van rental company in Finland and the car business that assists it. The entire share capital was acquired by Cityvarasto Plc at the end of 2020. The strategy is to grow the rental business nationwide into an even larger player. It is planned to increase its fleet of rental vans in the next few years by acquiring vans cost-effectively through Autokaupoille.com Ltd.

The Group operates on a long-term basis. In line with its strategy, the Group acquires suitable real properties, converts them into self storage facilities, and thus increases the value of its real estate assets. At the end of the financial year of 2020, the total market value of the Group's investment properties was 76,9 (65,3) million euros, representing a 17,8 percent increase as compared with the previous financial year.

Many of the properties owned by the Group are located in growing areas with developing city plans. Cityvarasto Plc is actively involved in the development of efficient city plans to allow for construction of homes. This helps increase the (residual) value of the properties that is, however, not included in the current property valuations. According to the strategy, any opportunities linked to changing city plans are never the primary purpose for making new investments in real estate. Currently, there are ongoing development projects in 4 locations, and there are also other properties with significant future potential.

Employee wellbeing is an integral part of the Group's strategy. The key focus is on employee engagement, as motivated and competent personnel play a significant role in the company's development and productivity.

### Key events during the financial year

Feut AS, a subsidiary of the Norwegian investment company Ferncliff TIH AS, has invested 5 million euro in Cityvarasto Plc through a directed share issue, and becomes the company's second largest shareholder with a 12 % ownership. Ferncliff TIH AS has been an active owner of several companies in the Nordic countries and around the world, and the new shareholder fits well with the Group's growth strategy.

The effects of the Korona pandemic were reflected in the spring of the financial year, especially in the decrease in van rental. Net sales growth also slowed temporarily at the beginning of Q2 for self storage and larger bulk units, but continued to grow strongly in the summer and towards the end of the year. In the spring, facilities were closed and more and more customers were instructed to rent a space through a webshop electronically, which has contributed to accelerating digitalisation.

In September, a self storage hotel was opened in Tarmola in Porvoo.

In October, Cityvarasto Plc acquired a property in Kotka, Hovisaari, with a total floor area of 2 612 square meters. A modern self storage facility and other premises for rent will be opened during the spring of 2021. The self storage facility will be the largest in the Kotka area.

In September, Cityvarasto acquired the entire share capital of PakuOvelle.com. Van rental is an important part of providing self storage services and it was natural that Cityvarasto bought PakuOvelle.com entirely. At the same time, the management of PakuOvelle.com Oy also changed when Mikko Erkkilä started as the new CEO.

In November, Cityvarasto Plc acquired a property in the center of Espoo with a total floor area of 2 014 square meters. The property has good transport connections and is located in a visible place on its own plot. It will be the first self storage facility in the center of Espoo.

During the financial year, three self storage facilities operating in leased premises were closed and customers were moved to nearby facilities owned by Cityvarasto.

The parent company also expanded its operations by increasing the number of self storage units at existing sites. New self storage units were completed at the following locations: Espoo Kivenlahti, Espoo Nihtisilta, Jyväskylä Seppälä, Kuopio Haapaniemi, Lahti Keskusta, Pori Impola, Seinäjoki Päivölä, Turku Pitkämäki and Vantaa Kaivoksela.

### Revenue and earnings

The Group's revenue was 10,9 (10,3) million euro, an increase of 6,2 percent compared to the previous financial year. Revenue for the financial year was reduced by the change in the method of recording revenue when moving from invoice basis to accrual accounting. Comparable revenue excluding the change in accounting method was 11,4 million euro, an increase of 10,6 percent compared to the previous financial year.

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The Group's EBITDA was 3,8 (3,2) million euro. EBITDA increased by 18,6 percent and exceeded revenue growth. Comparable EBITDA excluding the change in accounting method was 4,2 million euro, an increase of 32,8 percent compared to the previous financial year.

The Group's operating profit was 10,3 (7,5) million euros, an increase of 36,6 percent from the previous year.

The Group's financing costs were 0,5 (0,5) million euros.

### **Financial position and financing**

The consolidated balance sheet totalled 85,6 (71,3) million euros, an increase of 20,0 percent compared with the previous financial year. The value of the investment properties was 76,9 (65,3) million euros at the end of the financial year. All properties are located in the twenty largest city areas in Finland.

The Group invested 5,3 (10,3) million euros in tangible and intangible assets during the financial year. The majority of the investments were spent on acquiring real properties and renovating and converting them into self storage facilities and the acquisition of vans. The largest single investment was a property located in the center of Espoo.

The Group had 25,2 (24,6) million euros of interest-bearing liabilities. Out of the interest-bearing liabilities, 0,9 (1,0) million euros consisted of hire purchase debt that was used for financing the rental vans.

The Group's equity ratio was 56,2 (50,2) percent. The Group's return on equity was 24,4 (23,2) percent. The return on investment was 15,4 (14,0) percent.

### **Corporate structure**

The Group consists of the parent company Cityvarasto Plc and four 100 % owned subsidiaries: Autokaupoille.com Ltd, Kiinteistö Ltd Vantaan Painotalo, Cityvarasto Oü (Ltd) and Kiinteistö Ltd Lahden Okeroistentie 1, which was established in the financial year 2020.

Following the acquisition made in September 2020, Cityvarasto Plc owns 100% of Autokaupoille.com Ltd (formerly Apuovelle.com Ltd), which wholly owns PakuOvelle.com Ltd. The purpose of the group structure is to be able to offer increasingly integrated services especially to people who are moving as they form the largest group of customers for both businesses. Autokaupoille.com Ltd serves PakuOvelle.com Ltd in the acquisition and financing of vehicles.

### **Future outlook**

The focus of the company's investments is currently on the acquisition of new real properties, conversion of existing properties into self storage facilities, and renovation investments in accordance with the long-term strategy. In 2021, an estimated 3 to 5 new self storage facilities will be opened, of which 2 to 3 will be located in towns where the Group is not yet present. The estimates announced in the 2019 annual report were not reached due to the uncertainty caused by the Corona pandemic.

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The need to rent vans may vary on a monthly basis due to mobility restrictions, but as a whole, people's need for vans will not decrease. In the future, special attention will be paid to vehicle capital, which aims to reduce costs and improving profitability. The van fleet will grow and capacity will increase, while fixed costs will remain low. At the same time, Autokauppoille.com Ltd also generates income for the Group through the car business.

### **Personnel, salaries and bonuses**

The Group employed an average of 50 people in 2019. The company has both permanent and part-time employees. In addition, the company has hired temporary staff.

The Group measures job satisfaction annually in a survey submitted to all members of the personnel. The survey is carried out in cooperation with Elo, a pension insurance company. 81 percent of the employees responded to the most recent survey. According to the study, for example, the key focus of the personnel strategy on the commitment of Cityvarasto employees to the employer (eNPS) is up to two times better than in all Finnish companies on average.

The Group's salaries and bonuses in the financial year totalled 1,9 (1,8) million euros.

### **Development activities**

The Group develops and searches for digital applications suitable for its business to streamline its operations and make the everyday life easier to its customers. During the financial year, Cityvarasto Plc focused on developing a new ERP system and an online store, which were launched on 1 January 2021. The new online store aims to improve the user experience and to provide the customers with an increasingly seamless service. With the new websites, the share of online sales has increased. The development of the ERP system and website will continue in the financial year 2021.

During the financial year 2020, all PakuOvelle.com Ltd's vans have been converted to self-service and cars that require human contact have been sold. The change momentarily reduced revenue.

The Group has taken measures to improve safety. For example, the number of alarms has been increased and the security of yards has been improved through gates. In addition, the Group has paid special attention to CCTV surveillance.

The Group has started to draft a long-term maintenance and repair plan suitable for self storage facilities. It is scheduled to be implemented during the 2021 financial year.

### **Shareholders and changes in share capital**

The total number of shares in the parent company on December 31, 2020 was 6 048 848, of which the company held 44 265 shares. Shares are listed on the Privanet marketplace and can be traded there. The shares' trading volume has increased substantially since 2019. The closing price of the share for the financial year was 7,60 euros.

The Annual General Meeting decided to merge the company's share series so that the company's all Series B shares were converted into Series A shares. After this conversion, all shares are equal. The empty B series has been removed.

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The total market value of the shares at the closing price of the year, 7,60 (5,80) euros, was 45,6 (30,6) million euros. Earnings per share in the financial year were 1,29 (1,05) euros.

### **The environment and social responsibility**

The Group is committed to reducing its environmental impact and monitors energy and water consumption at all of its facilities.

Most of the building services in the properties have been brought under remote monitoring, which enables, for example, centralized temperature control and monitoring and helps to optimize energy efficiency.

The Group is seeking energy-efficient solutions for heating and the first solar energy project will be implemented in spring 2021. The use of air source heat pumps and water-to-air heat pumps has also been increased and the thermal insulation of the properties has been improved. Special attention is also paid to improving recycling and waste sorting on construction sites.

In accordance with the Group's strategy, new properties to be acquired should be located in a visible place and close to potential customers. The growing role of online renting has also reduced the need for face-to-face customer service at many facilities, which has reduced unnecessary traffic emissions.

By converting the acquired properties cost-effectively to self storage facilities, the properties that have already been in active use are often re-utilized and become functional properties. The aim is to reduce the environmental impact also by regular maintenance and repair of real properties.

### **Risks and risk management**

The purpose of risk management is to identify and manage the key risks related to the Group's business. The risk management policy aims to ensure the continuity, development and profitability of business. The Group divides the main risks related to its business operations into strategic and operational risks, and to material and financial risks.

The strategic risks relate mostly to migration and Finland's regional development. When considering new locations, particular attention will be paid to the region's future prospects, long-term development, and economy size. Developing the real property portfolio and increasing turnover requires identifying suitable real properties, which is why the Group will be actively looking for potential locations and following the real estate market. The customer flows are affected by the general economic situation and subsequent migration figures, which is why the Group seeks to continuously analyze its business environment.

Operational risks are related to the retention of key personnel in the company. Their commitment is strengthened, among other things, by investing in well-being at work and offering result-based bonuses and training opportunities. Another operational risk relates to the ability of business tenants in large bulk spaces to pay their rent. This risk is mitigated by paying special attention to the potential business tenant's solvency already when making the rental agreement. Also, in large space renting, the diversity of the customers portfolio is also taken into account and we try to avoid situations where the property income would significantly depend only on one customer payments.



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The key material risks, such as fires, water leakages and car crashes, are covered by comprehensive insurance policies. In addition, when converting real properties into facilities, fire safety is improved with technical solutions, such as fire retardant treatments, sprinkler systems, mechanical smoke extraction systems, fire detectors, emergency lights, exit distances in corridors, etc. The Group also has clear instructions on how to act in case of an emergency.

The key financial risks relate to financing, refinancing and interest rates. Purchasing real estate and converting properties into self storage facilities ties up a lot of capital. The company manages these risks by balancing the distribution of maturity dates over time and by borrowing from several different lenders. In order to secure an adequate liquidity reserve, the Group holds overdraft limits in three different banks.

### **Board of Directors, CEO and Auditor**

Cityvarasto Plc's Board of Directors consisted of four members: Ville Stenroos, Matti Heiskanen, Aki Kostander and Martin Nes as a new member. Ville Stenroos served as the Chairman of the Board and the CEO of the company. Authorized Public Accountant Jari Paloniemi of Moore Rewinet Oy, an auditing firm, audited the company's accounts.

### **Annual General Meeting and financial information in 2021**

The Annual General Meeting will be held in June 2021. The Group's midyear report will be published in September 2021.

### **Board's proposal for distribution of profits**

The parent company's distributable funds as of 31 December 2020 were 12 588 764,01 euros, of which the profit for the financial year was 57 955,40 euros.

According to the dividend policy, the dividend is to be increased annually. The Board of Directors will propose to the Annual General Meeting that a dividend of 0,06 (0,05) euros be paid for each outstanding share. In this case, the total amount of the dividend distribution is 360 274,98 euros.

### **Events after the financial year**

Kiinteistö Ltd Vantaan Painotalo, which is 100% owned by the Group, was merged with Cityvarasto Plc at the end of January 2021.

In February, Cityvarasto Plc acquired the property and the plot from the City of Kouvola in a central location in Kasarminmäki, Kouvola. Kasarminmäki consists of cohesive old protected buildings that once served as an army garrison. The area is included in the list of nationally significant built cultural environments. The total area of the building is 1 045 square meters and Cityvarasto Plc will renovate the building and open a self storage hotel in the summer of 2021.

In April, Cityvarasto Plc acquired a property in Konala, Helsinki. The property covers a total floor area of 4 655 square meters and is located on its own plot near Vihdintie and Ring Road I. Renovation of the property and construction of a self storage facility will begin in summer 2021.

## Consolidated income statement

	1/2020 - 12/2020	1/2019 - 12/2019
<b>Net revenue</b>	<b>10 928 812,00</b>	<b>10 273 613,15</b>
Other operating income	180 784,28	81 535,39
<b>Raw materials and services</b>		
<b>Raw materials and consumables</b>		
Purchases during the financial year	-1 889,15	-15 491,98
Increase (+) or decrease (-) in inventories	-3 348,18	2 406,55
External services	-288 537,04	-253 613,55
<b>Raw materials and services in total</b>	<b>-293 774,37</b>	<b>-266 698,98</b>
<b>Personnel expenses</b>		
<b>Wages and salaries</b>	<b>-1 513 271,74</b>	<b>-1 331 073,14</b>
<b>Social security expenses</b>	<b>-256 911,04</b>	<b>-264 342,03</b>
Pension expenses	-217 621,05	-232 281,14
Other social security expenses	-39 289,99	-32 060,89
<b>Personnel expenses in total</b>	<b>-1 770 182,78</b>	<b>-1 595 415,17</b>
<b>Depreciation and reduction in value</b>		
Depreciation according to plan	-861 415,01	-806 806,50
Group goodwill amortization	-75 704,19	-75 704,19
Reduct. in value of goods held as non-curr. assets	7 423 127,22	5 208 766,82
<b>Total Depreciation and reduction in value</b>	<b>6 486 008,02</b>	<b>4 326 256,13</b>
<b>Other operating charges</b>	<b>-5 258 975,48</b>	<b>-5 299 981,72</b>
<b>Operating profit (-loss)</b>	<b>10 272 671,67</b>	<b>7 519 308,80</b>
<b>Financial income and expenses</b>		
<b>Income from other investments held as non-current assets</b>		
From others	2 025,67	1 281,40
<b>Other interest and financial income</b>		
From others	35 211,21	20 469,61
<b>Interest and other financial expenses</b>		
For others	-543 707,04	-496 859,41
<b>Total financial income and expenses</b>	<b>-506 470,16</b>	<b>-475 108,40</b>
<b>Outcome before financial statement transfers and taxes</b>	<b>9 766 201,51</b>	<b>7 044 200,40</b>
Income taxes	-2 005 022,38	-1 496 475,43
Other direct taxes	-309,32	-143,93
Minority shares	0,00	-12 210,69
<b>Profit (loss) for the financial year</b>	<b>7 760 869,81</b>	<b>5 535 370,35</b>

## Consolidated balance sheet

	31.12.2020	31.12.2019
<b>ASSETS</b>		
<b>Non-current assets</b>		
<b>Intangible assets</b>		
Development expenses	114 810,34	110 657,03
Goodwill	0,00	28 414,77
Group goodwill	466 069,38	844 499,61
Other capitalised long-term expenses	738 363,33	621 876,09
Advance payments	554,62	0,00
<b>Intangible assets in total</b>	<b>1 319 797,67</b>	<b>1 605 447,50</b>
<b>Tangible assets</b>		
Investment properties	76 900 000,00	65 300 000,00
Machinery and equipment	2 040 951,17	2 024 457,95
<b>Tangible assets in total</b>	<b>78 940 951,17</b>	<b>67 324 457,95</b>
<b>Investments</b>		
Other shares and similar rights of ownership	100,00	950,00
<b>Investments in total</b>	<b>100,00</b>	<b>950,00</b>
<b>Non-current assets in total</b>	<b>80 260 848,84</b>	<b>68 930 855,45</b>
<b>Current assets</b>		
<b>Stocks</b>		
Raw materials and consumables	14 981,46	18 329,64
<b>Stocks in total</b>	<b>14 981,46</b>	<b>18 329,64</b>
<b>Receivables</b>		
<b>Long term</b>		
Other receivables	52 000,00	68 747,80
<b>Long term receivables in total</b>	<b>52 000,00</b>	<b>68 747,80</b>
<b>Short term</b>		
Trade debtors, accounts receivable	1 268 416,50	1 425 272,31
Other receivables	38 928,11	146 618,54
Prepayments and accrued income	88 055,59	104 682,62
<b>Short-term debtors in total</b>	<b>1 395 400,20</b>	<b>1 676 573,47</b>
<b>Total receivables</b>	<b>1 447 400,20</b>	<b>1 745 321,27</b>
<b>Investments</b>		
Other shares and similar rights of ownership	38 819,52	49 851,20
<b>Investments in total</b>	<b>38 819,52</b>	<b>49 851,20</b>
<b>Cash in hand and at banks</b>	<b>3 842 935,66</b>	<b>225 866,93</b>
<b>Current assets in total</b>	<b>5 350 912,85</b>	<b>2 412 634,76</b>
<b>ASSETS IN TOTAL</b>	<b>85 611 761,69</b>	<b>71 343 490,21</b>

## Consolidated balance sheet

	31.12.2020	31.12.2019
<b>LIABILITIES</b>		
<b>Capital and reserves</b>		
Shares or other comparable assets	80 000,00	80 000,00
Fair value reserve	8 541,99	16 426,72
Other reserves	9 802 155,88	4 808 547,86
Reserve for invested unrestricted equity	9 802 155,88	4 808 547,86
Retained earnings gain or (loss)	30 616 884,78	25 318 087,83
<b>Profit (loss) for the financial year</b>	<b>0,00</b>	<b>27 580,70</b>
<b>Profit (loss) for the financial year</b>	<b>7 760 869,81</b>	<b>5 535 370,35</b>
<b>Capital and reserves in total</b>	<b>48 268 452,46</b>	<b>35 786 013,46</b>
<b>Minority shares</b>	<b>0,00</b>	<b>277 090,28</b>
<b>Creditors</b>		
<b>Long-term liabilities</b>		
Capital loans	1 500 000,00	1 500 000,00
Loans from credit institutions	22 426 329,30	20 410 581,22
Accounts Payables	585 692,32	549 537,05
Other creditors	0,00	500 000,00
Income taxes (accruals)	9 365 806,24	7 382 607,36
<b>Total Long-term liabilities</b>	<b>33 877 827,86</b>	<b>30 342 725,63</b>
<b>Creditors, Short term</b>		
Loans from credit institutions	1 818 738,54	3 276 441,43
Accounts Payables	779 850,53	1 020 102,15
Other creditors	645 360,62	444 900,37
Accruals and deferred income	219 203,49	191 917,52
Income taxes (accruals)	2 328,19	4 299,37
<b>Creditors, Short term in total</b>	<b>3 465 481,37</b>	<b>4 937 660,84</b>
<b>Creditors in total</b>	<b>37 343 309,23</b>	<b>35 280 386,47</b>
<b>LIABILITIES IN TOTAL</b>	<b>85 611 761,69</b>	<b>71 343 490,21</b>

## Parent company's income statement

	1/2020 - 12/2020	1/2019 - 12/2019
<b>Net revenue</b>	<b>8 160 584,91</b>	<b>7 670 166,71</b>
Other operating income	84 304,01	50 084,39
<b>Raw materials and services</b>		
<b>Raw materials and consumables</b>		
Purchases during the financial year	-1 845,60	-15 491,98
Increase (+) or decrease (-) in inventories	-3 348,18	2 406,55
External services	-736,13	0,00
<b>Raw materials and services in total</b>	<b>-5 929,91</b>	<b>-13 085,43</b>
<b>Personnel expenses</b>		
<b>Wages and salaries</b>	<b>-1 257 188,91</b>	<b>-1 099 824,20</b>
<b>Social security expenses</b>	<b>-207 868,77</b>	<b>-210 090,43</b>
Pension expenses	-177 475,75	-187 636,50
Other social security expenses	-30 393,02	-22 453,93
<b>Personnel expenses in total</b>	<b>-1 465 057,68</b>	<b>-1 309 914,63</b>
<b>Depreciation and reduction in value</b>		
Depreciation according to plan	-2 606 074,80	-1 999 171,09
Reduct. in value of goods held as non-curr. assets	-9 720,12	0,00
<b>Total Depreciation and reduction in value</b>	<b>-2 615 794,92</b>	<b>-1 999 171,09</b>
<b>Other operating charges</b>	<b>-3 762 791,84</b>	<b>-3 672 261,90</b>
<b>Operating profit (-loss)</b>	<b>395 314,57</b>	<b>725 818,05</b>
<b>Financial income and expenses</b>		
<b>Income from other investments held as non-current assets</b>		
From others	2 025,67	1 281,40
<b>Other interest and financial income</b>		
From group companies	37 994,55	38 240,93
From others	34 666,59	23 049,48
<b>Interest and other financial expenses</b>		
For group companies	-3 590,14	-928,99
For others	-387 804,56	-331 852,17
<b>Total financial income and expenses</b>	<b>-316 707,89</b>	<b>-270 209,35</b>
<b>Outcome before financial statement transfers and taxes</b>	<b>78 606,68</b>	<b>455 608,70</b>
Income taxes	-20 341,96	-87 708,47
Other direct taxes	-309,32	-143,93
<b>Profit (loss) for the financial year</b>	<b>57 955,40</b>	<b>367 756,30</b>

## Parent company's balance sheet

	31.12.2020	31.12.2019
<b>ASSETS</b>		
<b>Non-current assets</b>		
<b>Intangible assets</b>		
Goodwill	-	28 414,77
Other capitalised long-term expenses	666 582,31	606 681,99
Advance payments	263 463,45	1 546 318,15
<b>Intangible assets in total</b>	<b>930 045,76</b>	<b>2 181 414,91</b>
<b>Tangible assets</b>		
Land and waters	2 981 921,08	2 865 776,66
Buildings	20 697 462,16	18 631 130,42
Machinery and equipment	1 907 615,60	1 787 650,11
<b>Tangible assets in total</b>	<b>25 586 998,84</b>	<b>23 284 557,19</b>
<b>Investments</b>		
Holdings in group undertakings	442 241,15	310 312,00
Amounts owed by group member companies	380,00	380,00
Other shares and similar rights of ownership	519 153,05	520 003,05
Other receivables	0,00	196 253,29
<b>Investments in total</b>	<b>961 774,20</b>	<b>1 026 948,34</b>
<b>Non-current assets in total</b>	<b>27 478 818,80</b>	<b>26 492 920,44</b>
<b>Current assets</b>		
<b>Stocks</b>		
Raw materials and consumables	14 981,46	18 329,64
<b>Stocks in total</b>	<b>14 981,46</b>	<b>18 329,64</b>
<b>Receivables</b>		
<b>Long term</b>		
Amounts owed by group member companies	799 926,08	-
Other receivables	44 950,00	65 970,40
<b>Long term receivables in total</b>	<b>844 876,08</b>	<b>65 970,40</b>
<b>Short term</b>		
Trade debtors, accounts receivable	929 924,95	1 243 854,42
Amounts owed by group member companies	858 744,68	224 915,66
Other receivables	37 953,16	315 059,26
Prepayments and accrued income	76 478,93	58 658,33
<b>Short-term debtors in total</b>	<b>1 903 101,72</b>	<b>1 842 487,67</b>
<b>Total receivables</b>	<b>2 747 977,80</b>	<b>1 908 458,07</b>
<b>Investments</b>		
Other shares and similar rights of ownership	38 819,52	49 851,20
<b>Investments in total</b>	<b>38 819,52</b>	<b>49 851,20</b>
<b>Cash in hand and at banks</b>	<b>3 506 847,80</b>	<b>473 658,93</b>
<b>Current assets in total</b>	<b>6 308 626,58</b>	<b>2 450 297,84</b>
<b>ASSETS IN TOTAL</b>	<b>33 787 445,38</b>	<b>28 943 218,28</b>

## Parent company's balance sheet

	31.12.2020	31.12.2019
<b>LIABILITIES</b>		
<b>Capital and reserves</b>		
Shares or other comparable assets	80 000,00	80 000,00
Fair value reserve	8 541,99	16 426,72
Other reserves		
Reserve for invested unrestricted equity	10 867 218,37	5 873 610,35
Retained earnings gain or (loss)	1 663 590,24	1 559 988,04
<b>Profit (loss) for the financial year</b>	<b>57 955,40</b>	<b>367 756,30</b>
<b>Capital and reserves in total</b>	<b>12 677 306,00</b>	<b>7 897 781,41</b>
<b>Creditors</b>		
<b>Long-term liabilities</b>		
Capital loans	1 500 000,00	1 500 000,00
Loans from credit institutions	17 357 031,12	14 951 809,32
Other creditors	0,00	500 000,00
<b>Total Long-term liabilities</b>	<b>18 857 031,12</b>	<b>16 951 809,32</b>
<b>Creditors, Short term</b>		
Loans from credit institutions	1 420 553,16	2 859 199,58
Accounts Payables	278 913,10	331 275,59
Amounts owed to group member companies	931,67	450 924,25
Other creditors	348 194,74	270 152,21
Accruals and deferred income	202 187,40	177 776,55
Income taxes (accruals)	2 328,19	4 299,37
<b>Creditors, Short term in total</b>	<b>2 253 108,26</b>	<b>4 093 627,55</b>
<b>Creditors in total</b>	<b>21 110 139,38</b>	<b>21 045 436,87</b>
<b>LIABILITIES IN TOTAL</b>	<b>33 787 445,38</b>	<b>28 943 218,28</b>

## Notes to the Financial Statements

The Group is a small group and the Parent Company is a small undertaking as specified in the Accounting Act. The financial statements have been prepared in compliance with the provisions concerning small undertakings under Chapters 2 and 3 of the Government Decree on Small and Micro Undertakings.

### Accounting principles

#### Accounting principles for consolidated financial statements

The consolidated financial statements comprise the financial statements of the parent company and its subsidiaries. Group companies:

Cityvarasto Oyj	parent company
Cityvarasto Oü	subsidiary (100% ownership)
Autokauppoille.com Oy	subsidiary (100% ownership)
PakuOvelle.com Oy	subsidiary (100% owned subsidiary of Autokauppoille.com Oy)
Kiint. Oy Vantaan Painotalo	subsidiary (100% ownership)
Kiint. Oy Lahden Okeroistentie 1	subsidiary (100% ownership)

### Principles and methods applied to the measurement and recognition of non-current and current assets

#### Non-current assets

Increased depreciation amounts to 229 174,94 eur in the parent company and totals 291 171,61 eur in the Group.

#### Goodwill

In the parent company, capitalised acquisition costs are depreciated in straight-line instalments over 5 years (assumption 10 years).

The Group's goodwill is depreciated in straight-line instalments over 5 to 10 years.

The consolidated liability allocated to non-current assets is recognized as straight-line depreciation during the depreciation period of those non-current assets. Buildings are recognized as income over the remaining depreciation period in 35 years.

#### Other capitalised long term expenses

Capitalised acquisition costs are depreciated in straight-line instalments over 5 years (assumption 10 years). Capitalised renovation costs of self storage facilities are depreciated over the remaining lease term, up to a maximum of 10 years.

#### Buildings and structures, land areas

In the parent company, buildings and structures are recognised at acquisition cost less depreciation according to plan. Land areas are recognised at the acquisition cost.

On the balance sheet of 31.12.2020, the undepreciated acquisition cost of the buildings is 20 697 462,16 euros (18 631 130,42 euros on 31.12.2019). On the balance sheet of 31.12.2020, the acquisition cost of land areas is 2 981 921,08 euros (2 865 776.66 euros on 31.12.2019).

The value of the investment properties on 31.12.2020 was 76,9 million euros (65,3 million euros on 31.12.2019). The estimates were determined by an external surveyor.

The investment properties are recorded at fair value in the consolidated financial statements in accordance with Section 5:2b of the Accounting Act.



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**Current Assets****Investments**

Investments held as current assets are recognised at market value at the balance sheet date.

The acquisition cost at the balance sheet date is 48 675,43 euros and the market value is 38 819,52 euros (in 2019, the acquisition cost was 35 838,20 euros and the market value 49 851,20 euros).

**Changes in the fair value reserve**

	<b>31.12.2020</b>	<b>31.12.2019</b>
Fair value reserve 1.1.	16 426,72	5 216,32
Increase (decrease)	-7 884,73	11 210,40
Fair value reserve 31.12.	8 541,99	16 426,72

In other respects, the financial statements have been prepared in compliance with the principles and methods of measurement and depreciation stipulated under Chapter 3, Section 1, Subsections 2 and 3 of the Government Decree on Small and Micro Undertakings.

**Information about the parent company**

Cityvarasto Oyj is a subsidiary in a group under the parent company Stonerose Holding Oy (business ID: 2572266-7) domiciled in Helsinki.

**Investment properties in the consolidated financial statements**

The Group holds investment properties to earn rental income or benefit from increase in the value of assets, or both. The investment properties are valued using the fair value principles detailed in IAS 40. As such, the profit or loss resulting from the change in fair value is recognised in the profit or loss of the period in which it accrued.

In the parent company, the investment properties are initially recognised at the acquisition cost, including transaction costs. After the initial recognition, the investment properties are recorded at fair value in the consolidated financial statements in accordance with Section 5:2b of the Accounting Act. Fair value is the market price that would be received when selling the property or transferring the liabilities attached to the property to the buyer at the date of valuation. The fair value of the investment property reflects the market value at the date of the financial statements.

The profits and losses on sale of investment properties are presented as a separate item in the income statement. The recognition of investment properties at fair value is based on estimates of the fair value of the Company's real properties determined by an independent external surveyor with experience in the field. Leased properties are excluded from fair value valuation.

	2020	2019
Investment properties 1.1.	65 300 000,00	50 400 000,00
Investments	4 167 152,66	9 691 233,18
Change in fair value	7 432 847,34	5 208 766,82
Investment properties 31.12.	76 900 000,00	65 300 000,00
Change recognised in profit or loss	7 932 795,53	5 625 355,48

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**Long term liabilities**

Long term debts maturing after more than five years total 13 093 336,99 euros in the Group and 9 281 933,69 euros in the parent company.

**Collateral outstanding and off-balance sheet contingencies****Rental agreements and leasing contracts**

	Group	Parent company
Rental guarantees	71 797,18	71 797,18
Lease and leasing liabilities		
Payable in the next financial year	726 998,19	706 431,06
Later than next financial year	3 374 065,74	3 355 212,54
<b>Total</b>	<b>4 101 063,93</b>	<b>4 061 643,60</b>

**Collateral given**

	Group	Parent company
Loans from credit institutions	24 036 356,18	18 777 584,28
Hire purchase debt	949 549,42	0,00
Other collateral	200 000,00	0,00
<b>Total</b>	<b>25 185 905,60</b>	<b>18 777 584,28</b>

**Obligation to revise VAT deductions related to real property**

The Group and the Parent Company are liable to revise any VAT deductions related to renovations completed by the date of the financial statements if the use of the property for taxed business decreases during the review period. The maximum amount subject to the obligation at the end of 2020 was 772 124,91 euros, the last year for revision is 2029.

**Loans to related parties****Group and Parent Company**

	2020	2019
Loans to related parties	47 350,00	48 800,00

The company has provided loans to a related party (a Board member) for the acquisition of the company's own shares. The loans' interest rate is 0,25 percent and the term for repayment is April 30, 2040. No collateral was provided for the loans.

**Personnel**

Average number of personnel

	Group		Parent company	
	2020	2019	2020	2019
Employees	50	49	43	40

### Own shares held by the company

The Group holds 149 shares of the subsidiary PakuOvelle.com Oy and 44 265 shares of the parent company Cityvarasto Oyj.

The parent company has acquired 1 000 of its own shares during the financial year.

### Parent company's holdings in other companies

Company name and domicile	Ownership	Capital and reserves	Earnings in the financial year
Cityvarasto Oü Tallinna	100 %	2 500,00	-295,00
Autokaupoille.com Oy Helsinki	100 %	422 238,18	1,24
Kiint. Oy Vantaan Painotalo Helsinki	100 %	-489 759,08	-100 026,68
Kiint. Oy Lahden Okeroistentie 1 Helsinki	100 %	1 000,00	-29 329,15

### Subordinated loans

A shareholder has provided the parent company with a subordinated loan of 1 500 000,00 euros. The loan fulfils the requirements for subordinated loans stipulated under Section 12 of the Limited Liability Companies Act.

#### The main terms of the subordinated loan

1. The subordinated loan shall be payable annually, in full or in part, by the last day of the month following the Annual General Meeting, upon the creditor's request.
2. If the company falls into liquidation or bankruptcy, the subordinated loan and interest shall have lower priority than all the other debts owed by the company.
3. The loan principal may be otherwise repaid and interest paid only in so far as the sum total of the unrestricted equity and all of the subordinated loans of the company at the time of payment exceed the loss on the balance sheet to be adopted for the latest financial year or the loss on the balance sheet of more recent financial statements.
4. The company shall not post a security for the payment of the loan principal or interest.
5. The subordinated loan shall be interest free.

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**Changes in equity**

	Group		Parent company	
	2020	2019	2020	2019
Share capital 1.1.	80 000,00	80 000,00	80 000,00	80 000,00
Share capital 31.12.	80 000,00	80 000,00	80 000,00	80 000,00
Restricted equity in total	80 000,00	80 000,00	80 000,00	80 000,00
Fair value reserve 1.1.	16 426,72	5 216,32	16 426,72	5 216,32
Change in fair value reserve	-7 884,73	11 210,40	-7 884,73	11 210,40
Fair value reserve 31.12.	8 541,99	16 426,72	8 541,99	16 426,72
Reserve for invested unrestricted equity 1.1.	4 808 547,86	3 482 421,83	5 873 610,35	4 548 610,85
Change in reserve for invested unrestricted equity	4 993 608,02	1 324 999,50	4 993 608,02	1 324 999,50
Additional investment	0,00	1 126,53	0,00	0,00
Reserve for invested unrestricted equity 31.12.	9 802 155,88	4 808 547,86	10 867 218,37	5 873 610,35
Retained earnings (loss)	30 881 038,88	25 546 597,09	1 927 744,34	1 761 714,96
Distribution of dividends	-264 154,10	-201 726,92	-264 154,10	-201 726,92
Profit (loss) for the financial year	7 760 869,81	5 536 168,71	57 955,40	367 756,30
Unrestricted equity in total	48 188 452,46	35 706 013,46	12 597 306,00	7 817 781,41
<b>TOTAL EQUITY</b>	<b>48 268 452,46</b>	<b>35 786 013,46</b>	<b>12 677 306,00</b>	<b>7 897 781,41</b>

**Calculation of distributable unrestricted equity under Section 13:5 of the Limited Liability Companies Act**

	Parent company	
	2020	2019
Reserve for invested unrestricted equity	10 873 622,28	5 873 610,35
Retained earnings (loss)	1 657 186,33	1 559 988,04
Profit (loss) for the financial year	57 955,40	367 756,30
Distributable equity in total	12 588 764,01	7 801 354,69

# Signatures to the Financial Statements

Helsinki,      date                      month 2021

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Ville Stenroos  
Chairman of the Board of Directors, CEO

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Matti Heiskanen  
Member of the Board of Directors

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Aki Kostiander  
Member of the Board of Directors

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Martin Nes  
Member of the Board of Directors

## Auditor's Note

A report on the audit of the financial statements has been submitted today.

Helsinki, date month 2021

Moore Rewinet Oy  
Audit firm

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Jari Paloniemi  
Authorized Public Accountant

## List of Ledgers and Materials

Diary	Electronic archive
General ledger	Electronic archive
Financial statements	Electronic archive
Balance sheet in detail	Electronic archive

### Document types and method of storage

Sales invoices	Electronic archive
Purchase invoices	Electronic archive for recording documents
E-invoices (purchase invoices)	Electronic archive
Travel and other expense reports, memorandums	Electronic archive
Wages and salaries	Electronic archive
Account statements, payment receipts	Electronic archive
VAT calculations	Electronic archive
Estimated tax reports	Electronic archive

Any purchase invoices received originally on paper are retained by the reporting entity in paper format. If a paper invoice has been scanned, it is only retained as an electronic file.

Any original vouchers attached to the travel and other expense reports are retained by the reporting entity in paper format. If the paper invoice or appendices have been scanned, they are retained only as an electronic file.

### Notes vouchers

N.	File name	Note description
1	LT 1, lainat yli 5v.pdf	Loans maturing in more than five years
2	LT 2, Tiedot taseen ulkop. järj.PDF	Liabilities and collaterals given
3	LT 3, ALV-tarkistusvastuu 2020.PDF	VAT revision obligation 31.12.2020
4	LT 4, Keskim.henkilöstömäärä 2020.PDF	Average number of employees 2020

**SIGNATURES****ALLEKIRJOITUKSET****UNDERSKRIFTER****SIGNATURER****UNDERSKRIFTER**

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**Aki Ensio Kostiander**

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BankID / MobileID - eaf15d5c-aa03-49aa-8345-83dc2c844a3c - FI

**MATTI KALEVI HEISKANEN**

1bcdef40-dee6-462a-bb90-5e01f3b4b5ff - 2021-05-21 13:52:06 UTC +03:00  
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**Martin Nes**

dfd835e1-1cd8-4097-8aeb-760ce8462b7b - 2021-05-21 15:49:20 UTC +03:00  
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**VILLE STENROOS**

968616c9-a70a-48ed-8d14-44b3a7282b55 - 2021-05-21 17:21:01 UTC +03:00  
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Authority to sign

Representative

Justodial

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nimenkirjoitusoikeus

huoltaja/edunvalvoja

stallningsfullmakt

firmittekningsrätt

förvaltare

autoritet til å signere

representant

foresatte/verge

myndighed til at underskrive

repræsentant

frihedsberøvende