



Q2-2024
Business Review

Updated: 23th of September 2024



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KEY FIGURES

	Q2	Q1	YTD 2024
Revenue	1 622 249,15	1 639 273,66	3 261 522,81
Operating profit(loss)	413 529,06	536 044,01	949 573,07
EBITDA	1 270 241,44	1 385 346,45	2 655 587,89
Financial expenses total	-1 003 130,00	-774 165,28	-1 777 295,28
PROFIT(LOSS)	-257 276,00	-238 121,27	-495 397,27

LAST TWELVE MONTHS

Revenue	6 500 581,68
Adjusted EBITDA	5 443 755,15
Pro forma Adjusted EBITDA	6 161 035,23
Financial income and expenses	-3 055 042,03

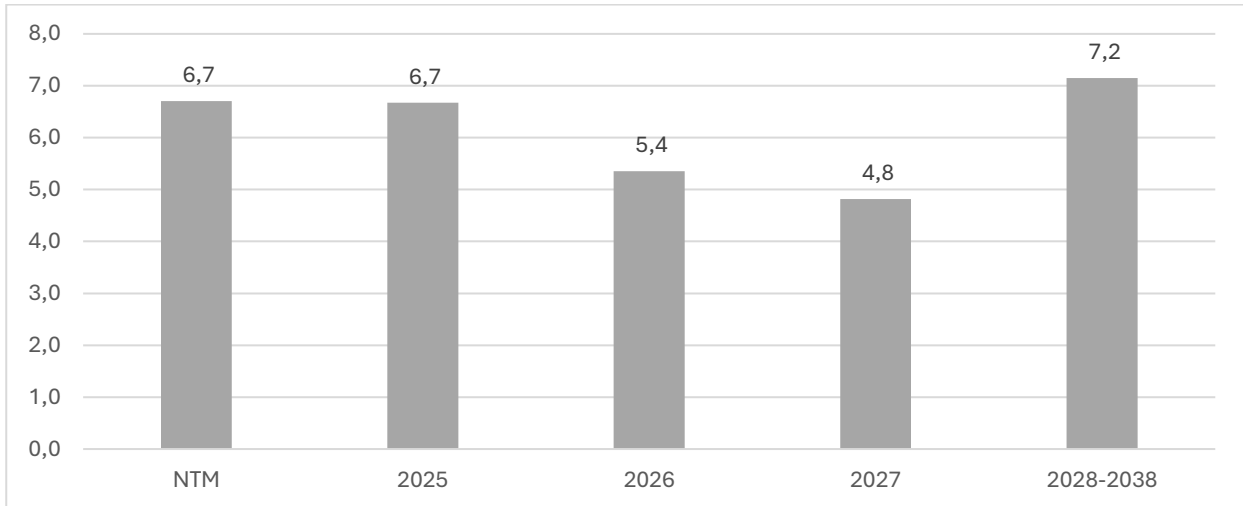
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LTM is between 07/2023-06/2024. Q3-2023 and Q4-2023 have been adjusted to reflect the actual performance of monthly basis. Q1-2023 and Q2-2024 are based on actual accounting.

Pro forma Adjusted EBITDA includes Revenue from Turku Project for whole LTM period with estimated 3% maintenance costs. Turku project effect is 0,72m for the LTM period.



RENT REVENUE UNDER CONTRACT FROM SEPT 2024 TO MATURITY (EURm)



Possible contract extensions are negotiated and signed typically six months before lease term ends. Expected rent revenue in coming years might be slightly higher due inflation-linked contracts.



GENERAL INFORMATION

Modulo is trademark for KoskiRent Oy (finnish business id 2539752-6). KoskiRent Oy is 100% owned by KoskiRent Group Oy. KoskiRent Oy leases buildings for finnish municipalities and public clients. The majority of the buildings are currently acting as schools and daycares. The lease agreements are fixed term contracts with extension options. KoskiRent Oy owns around 30.000sqm of modular transferable buildings.

KoskiRent Oy has its bonds listed in the Frankfurt Open Market exchange under ISIN: NO0013250647

This is the first business review provided under the current bond terms to the market.



BUSINESS SNAPSHOT Q1 AND Q2

During Q1-2024

KoskiRent Oy leased one new building to city in Greater Helsinki Area and no lease agreement were due. Company also hired new CFO and started refinancing process to support future needs. Background to refinancing were that the then current debt financing structure was not matching the needs of the Company and what the underlying market demand is to offer.

During Q2-2024

At the end of Q2 KoskiRent entered the bond market with EUR 50m emission of senior secured bonds with intention to refinance all of the existing short and long-term debt and finance the Turku Investment. Bond proceedings were undrawn at the end of the period.

At the end of reporting period three lease agreements were due and buildings were received back from tenants. During the period three new contracts were won and agreed, but still unsigned at the end of the period. New agreed, but unsigned contracts, use the released buildings and are scheduled to be leased from Q4-2024 forward.

At the end of reporting period company had identified and entered tender processes with its vacant capacity of buildings, which amounted under 3000sqm.



AFTER REPORTING PERIOD

Starting in July 2024, Company received EUR 3,35m equity investment from its owner KoskiRent Group Oy. KoskiRent Oy met the Conditions Present of the Bond Terms and all the old existing debt financing and Turku Investment was paid with bond proceedings 10th of July 2024.

Company received three signed lease agreements that were agreed prior to July 2024 with new tenants. Company also signed a new lease agreement with existing customer to relocate existing building to another location. These re-contracting agreements are worth total of 3meur.

Turku project was handed to use at the end of August 2024 and started generating rental revenue. For the remaining FY2024, Company has planned to hand over four buildings to different public tenants. At the end of August, company still has under 3000sqm on vacant capacity in storage. This offers KoskiRent Oy an opportunity to enter tenders for quickly emerging needs in municipalities. The vacant capacity is expected to be re-contracted and generating revenue Q1-2025 at latest.

After the reporting period, Company has also started to conversion process from Finnish Accounting Standard to IFRS-based reporting.

Company also continues its on-going process to acquire new equity to strengthen its financial position and ability to meet the demand market offers.



MARKET DRIVERS

Market outlook for KoskiRent Oy has remained sound. Sales team has identified opportunities on public procurement process for KoskiRent's strategy amounted EUR 55m worth of estimated rental revenue in August. Company is patient and diligent and only enters tenders processes as it sees a good overall fit of key criteria.

Market for modular transferable buildings is growing steadily. Company's current strategy focuses on schools and daycares, but Company seems market activity and possibilities on care facilities and healthcare as well.

Interest rates in general do not affect the demand for schools and daycares, since municipalities are obliged to provide these functions under the law. Some of the municipalities will more likely seek to increase leasing the buildings rather than build permanent buildings on their own balance, because of the rise in funding costs in the past years.



INCOME STATEMENT

	Q2	Q1	YTD 2024
	1.4.2024	1.1.2024	1.1.2024
	-30.6.2024	-31.3.2024	-30.6.2024
Revenue	1 622 249,15	1 639 273,66	3 261 522,81
Materials and services	-48 869,89	-30 290,36	-79 160,25
Staff expenses	-110 815,34	-107 502,89	-218 318,23
Depreciation and amortization	-856 712,38	-849 302,44	-1 706 014,82
Other operating expenses	-192 322,48	-116 133,96	-308 456,44
Operating profit (loss)	413 529,06	536 044,01	949 573,07
Financial income and expenses	-1 003 130,00	-774 165,28	-1 777 295,28
PROFIT (LOSS) BEFORE APPROPRIATIONS AND TAXES	-589 600,94	-238 121,27	-827 722,21
Appropriations	332 324,94	0,00	332 324,94
Income taxes	0,00	0,00	0,00
PFOTIT (LOSS)	-257 276,00	-238 121,27	-495 397,27

According to Finnish GAAP, non-audited



BALANCE SHEET

	2024-06 CLOSE	2024-01 OPEN
ASSETS		
NON-CURRENT ASSETS		
Intangible assets	828 627,38	799 941,85
Tangible assets	46 759 156,31	46 897 792,36
Investments	1 000 000,00	1 000 000,00
NON-CURRENT ASSETS	48 587 783,69	48 697 734,21
CURRENT ASSETS		
Debtors	239 499,14	942 558,17
Cash in hand and at banks	28 885,53	478,74
CURRENT ASSETS	268 384,67	943 036,91
	48 856 168,36	49 640 771,12
EQUITY AND LIABILITIES		
Capital and reserves	7 627 184,75	8 122 582,02
Apropriations	4 636 229,25	4 968 554,19
Provisions	1 669 605,00	1 669 605,00
Long-term debt	32 697,03	41 103,86
Short-term debt	34 890 452,33	34 838 926,05
CREDITORS	34 923 149,36	34 880 029,91
EQUITY AND LIABILITIES	48 856 168,36	49 640 771,12

According to Finnish GAAP, non-audited

Bond proceeds held in escrow as at 30.6.2024 and excluded from balance sheet.



CASH FLOW STATEMENT

	Q2	Q1	FY2024
	1.4.2024	1.1.2024	1.1.2024
Currency EURO	-30.6.2024	-31.3.2024	-30.6.2024
Cash flow from operations			
Profit (loss) before appropriations and taxes	-589 600,94	-238 121,27	-827 722,21
Depreciations according to plan	856 712,38	849 302,44	1 706 014,82
Financial income and expenses	1 003 130,00	774 165,28	1 777 295,28
Cash flow before changes in NWC	1 270 241,44	1 385 346,45	2 655 587,89
Changes in NWC:			
Changes in short-term non-interest bearing receivables inc./dec.(+)	134 720,53	309 370,98	444 091,51
Changes in short-term non-interest bearing debt inc./dec.(-)	103 349,15	-2 484 635,65	-2 381 286,50
Cash flow from operations before financial items and taxes	1 508 311,12	-789 918,22	718 392,90
Paid interests and payments from other financial expenses	-230 114,09	-392 634,82	-622 748,91
Received interests from operations	0,00	23,37	23,37
Paid taxes	-30 516,24	-30 516,24	-61 032,48
Cash flow before exceptional items	1 247 680,79	-1 213 045,91	34 634,88
Cash flow from operations	1 247 680,79	-1 213 045,91	34 634,88
Cash flow from investments			
Investments to non-tangible and tangible assets	-813 473,36	-782 590,94	-1 596 064,30
Capital gains from tangible and non-tangible assets			
Acquisitions			
Investments to other items		0,00	0,00
Capital gains from other investments		0,00	0,00
Loans granted		0,00	0,00
Payback of loan receivables		0,00	0,00
Interests received from investments	0,00	320 000,00	320 000,00
Cash flow from investments	-813 473,36	-462 590,94	-1 276 064,30
Cash flow from financing			
Equity capital paid in cash		0,00	0,00
Purchase of own shares		0,00	0,00
Sales of own shares			



Capital loan withdrawals and repayments		0,00	0,00
Withdrawals of short-term loans	0,00	2 500 000,00	2 500 000,00
Repayments of short-term loans	-410 822,00	-810 934,96	-1 221 756,96
Withdrawals of long-term loans		0,00	0,00
Repayment of long-term loans	-4 234,60	-4 172,23	-8 406,83
Cash flow from financing	-415 056,60	1 684 892,81	1 269 836,21
Changes in cash increase(+)/decrease(-)	19 150,83	9 255,96	28 406,79
Cash at the start of the period	9 734,70	478,74	478,74
Cash at the end of the period	28 885,53	9 734,70	28 885,53

According to Finnish GAAP, non-audited