



Q3-2024

BUSINESS REVIEW



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**KEY FIGURES**

	<b>Q3</b>	<b>Q2</b>	<b>Q1</b>	<b>YTD 2024</b>
<b>REVENUE</b>	1 660 208	1 622 249	1 639 274	4 921 731
<b>Operating profit(loss)</b>	155 364	413 529	536 044	1 104 937
<b>EBITDA</b>	1 132 735	1 270 241	1 385 346	3 788 323
<b>Financial expenses</b>	-2 895 001	-1 003 130	-774 165	-4 672 297
<b>PROFIT(LOSS)</b>	-2 739 638	-257 276	-238 121	-3 235 035

**LAST TWELVE MONTHS**

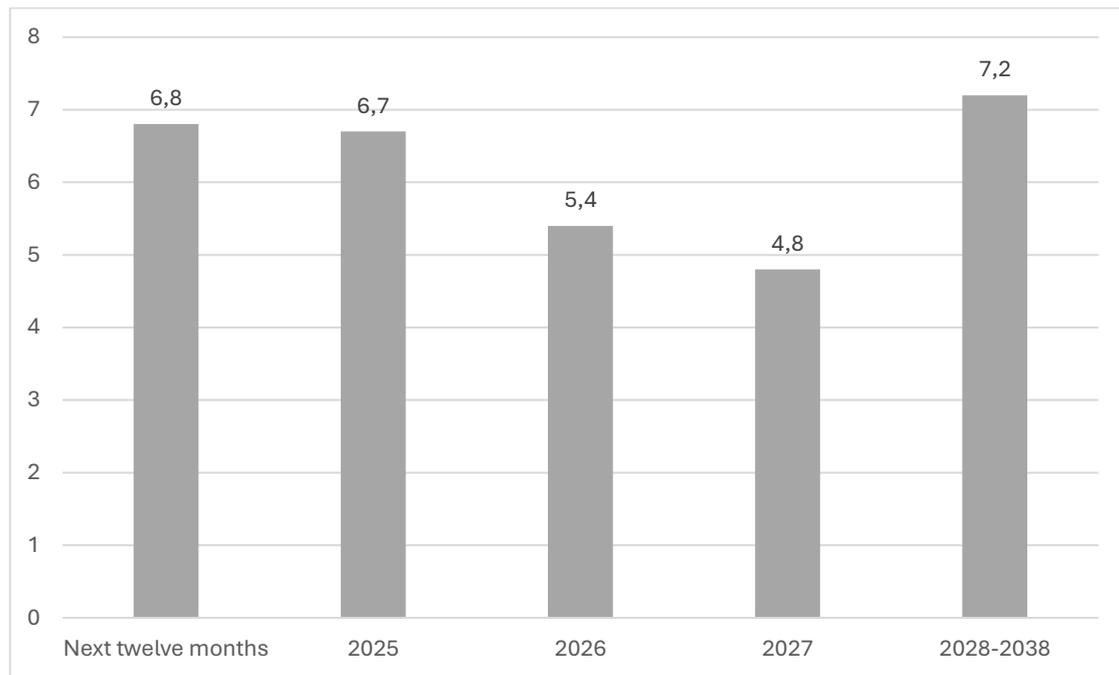
<b>Revenue</b>	6 483 205
<b>Adjusted EBITDA</b>	5 100 313
<b>Pro Forma Adjusted EBITDA</b>	6 889 418
<b>Pro Forma Financial expenses</b>	-3 939 641
<b>ICR</b>	1,75
<b>Loan-to-Value</b>	49,5 %

LTM is between 10/2023-09/2024. Q4-2023 has been adjusted to reflect the actual performance of monthly basis. Q1-2024 forward is based on actual accounts.

Pro forma Adjusted EBITDA includes Revenue from five new lease agreements that has been signed. Combined these five lease agreements generate revenue of 1,66meur with estimated 97% conversion to EBITDA with usual maintenance costs.

Loan-to-Value is based on the value of portfolio 30th September 2025.

### RENT REVENUE DISTRIBUTION



KoskiRent has 25,8meur contracted revenue in its current lease agreements. Lease agreements has contracted WAULT of 3,8 years as of 30th September 2024. Management expects some, but not all, of the lease agreements to be extended at the end of lease term. Based on management expectations the WAULT is expected to be around 2x.

*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 owns around 30.000sqm of modular transferable buildings. KoskiRent Oy leases buildings for finnish municipalities, government and public clients. Buildings are used mainly as schools and daycares. Some of the buildings are also contracted to social infrastructure and other purposes. The lease agreements are fixed term contracts with extension options.

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

This is the second business review provided under the bond terms and is published on company's website [www.modulo.fi](http://www.modulo.fi)

### **BUSINESS SNAPSHOT Q3**

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.

During Q3 KoskiRent started to deassemble and storage buildings that were released in summer. Former Vihti school was re-contracted to municipality of Teuva for initial three year period as such. Around one third of Rauma1 school was re-contracted to Government's purposes with modifications on two locations and Rauma2 was re-contracted inside city of Rauma to other education purposes.

At the end of reporting period KoskiRent had under 3000sqm of available spaces in storage. Company has entered suitable tender processes with new and circulated modules and expects utilization to be better at the start of 2025.

Company has on-going project to shift to IFRS reporting. IFRS reporting will be carried out using Fair values of its existing fleet. Valuation is carried by external valuator, which has experience of valuating transferrable buildings. KoskiRent uses Retta Management Oy as valuator. As of 30th of September 2024, KoskiRent's portfolio was valued at EUR 84,7m.

IFRS conversion project is expected to finish Q1-2025 after KoskiRent applies listing of its bond to Nasdaq Helsinki marketplace.

## **AFTER REPORTING PERIOD**

After reporting period KoskiRent handed over a school building to municipality of Kaarina in Greater Turku region. KoskiRent also handed over a school to Teuva, which was formerly located in Vihti.

KoskiRent participated and won a small daycare contract from municipality of Kankaankää in November. Tender process is still under typical appeal period and contract is expected to be signed in December. If signed, new contract's annual rental revenue is EUR 167.000 and lease term is 72months with additional option years.

## **MARKET DRIVERS**

Market outlook for KoskiRent Oy has remained unchanged. Municipalities have set their budgets and plans for coming year. The end of the year, January and February are the high season of tendering in municipality sector. KoskiRent has identified several potential tenders that it can participate. 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 sees market activity and possibilities on social infrastructure, care facilities, healthcare and housing type of solutions aswell.

Interest rates in generally does not effect the demand for schools and daycares, since municipalities are obliged to provide these functions under the law. As interest rates have declined, but overall cost of constructions

## INCOME STATEMENT

	Q3 1.7.2024 -30.9.2024	Q2 1.4.2024 -30.6.2024	Q1 1.1.2024 -31.3.2024	YTD 2024 1.1.2024 -30.9.2024
Currency EURO				
<b>REVENUE</b>	1 660 208	1 622 249	1 639 274	4 921 731
Materials and services	-128 953	-48 870	-30 290	-208 114
Staff expenses	-129 108	-110 815	-107 503	-347 427
Depreciations and amortizati	-977 372	-856 712	-849 302	-2 683 387
Other operating expenses	-269 411	-192 322	-116 134	-577 867
<b>Operating profit (loss)</b>	<b>155 364</b>	<b>413 529</b>	<b>536 044</b>	<b>1 104 937</b>
Financial income and expens	-2 895 001	-1 003 130	-774 165	-4 672 297
<b>PROFIT (LOSS) BEFORE APPR</b>	<b>-2 739 638</b>	<b>-589 601</b>	<b>-238 121</b>	<b>-3 567 360</b>
Appropriations	0	332 325	0	332 325
Income taxes	0	0	0	0
<b>PROFIT (LOSS)</b>	<b>-2 739 638</b>	<b>-257 276</b>	<b>-238 121</b>	<b>-3 235 035</b>

According to Finnish GAAP, non-audited

## BALANCE SHEET

Currency EURO	30.9.2024	1.1.2024
<b>ASSETS</b>		
Intangible assets	1 122 995	799 942
Tangible assets	51 958 338	46 897 792
Investments	1 000 000	1 000 000
<b>NON-CURRENT ASSETS</b>	<b>54 081 332</b>	<b>48 697 734</b>
Debtors	3 236 878	942 558
Cash in hand and at banks	8 135 140	479
<b>CURRENT ASSETS</b>	<b>11 372 018</b>	<b>943 037</b>
<b>ASSETS</b>	<b>65 453 350</b>	<b>49 640 771</b>
<b>EQUITY AND LIABILITIES</b>		
Capital and reserves	8 237 547	8 122 582
Appropriations	4 636 229	4 968 554
Provisions	1 628 505	1 669 605
<b>EQUITY</b>	<b>14 502 281</b>	<b>14 760 741</b>
Long-term debt	50 045 006	41 104
Short-term debt	906 064	34 838 926
<b>CREDITORS</b>	<b>50 951 069</b>	<b>34 880 030</b>
<b>EQUITY AND LIABILITIES</b>	<b>65 453 350</b>	<b>49 640 771</b>

According to Finnish GAAP, non-audited

## CASH FLOW STATEMENT

	Q3	Q2	Q1	YTD 2024
	1.7.2024	1.4.2024	1.1.2024	1.1.2024
Currency EURO	-30.9.2024	-30.6.2024	-31.3.2024	-30.9.2024
<b>Cash flow from operations</b>				
Profit (loss) before appropriations and taxes	-2 739 638	-589 601	-238 121	-3 567 360
Depreciations according to plan	977 372	856 712	849 302	2 683 387
Other profits and losses, without cash effect	-426 555	0	0	-426 555
Financial income and expenses	2 895 001	1 003 130	774 165	4 672 297
<b>Cash flow before changes in NWC</b>	<b>706 180</b>	<b>1 270 241</b>	<b>1 385 346</b>	<b>3 361 768</b>
<b>Changes in NWC:</b>				
Changes in short-term non-interest bearing receivables inc./(-)/dec.(+)	-935 613	134 721	309 371	-491 521
Changes in short-term non-interest bearing debt inc.(+)/dec.(-)	234 547	103 349	-2 484 636	-2 146 740
<b>Cash flow from operations before financial items and taxes</b>	<b>5 114</b>	<b>1 508 311</b>	<b>-789 918</b>	<b>723 507</b>
Paid interest and expenses from other operating financial expenses	-4 870 031	-230 114	-392 635	-5 492 780
Received interests from operations	105 438	0	23	105 462
Paid taxes	-30 516	-30 516	-30 516	-91 549
Cash flow before exceptional items	-4 789 994	1 247 681	-1 213 046	-4 755 360
<b>Cash flow from operations</b>	<b>-4 789 994</b>	<b>1 247 681</b>	<b>-1 213 046</b>	<b>-4 755 360</b>
<b>Cash flow from investments</b>				
Investments to non-tangible and tangible assets	-6 085 466	-813 473	-782 591	-7 681 530
Interests received from investments	0	0	320 000	320 000
<b>Cash flow from investments</b>	<b>-6 085 466</b>	<b>-813 473</b>	<b>-462 591</b>	<b>-7 361 530</b>
<b>Cash flow from financing</b>				
Equity capital paid in cash	3 350 000		0	3 350 000
Withdrawals of short-term loans	0	0	2 500 000	2 500 000
Repayments of short-term loans	-5 296 795	-410 822	-810 935	-6 518 552
Withdrawals of long-term loans	50 000 000	0	0	50 000 000
Repayments of long-term loans	-26 837 116	-4 235	-4 172	-26 845 523
Paid interests and expenses from financing activities	-2 234 375	0	0	-2 234 375
<b>Cash flow from financing</b>	<b>18 981 715</b>	<b>-415 057</b>	<b>1 684 893</b>	<b>20 251 551</b>
<b>Changes in cash inc.(+)/dec.(-)</b>	<b>8 106 255</b>	<b>19 151</b>	<b>9 256</b>	<b>8 134 661</b>
<b>Cash at the start of the period</b>	<b>28 886</b>	<b>9 735</b>	<b>479</b>	<b>39 099</b>
<b>Cash at the end of the period</b>	<b>8 135 140</b>	<b>28 886</b>	<b>9 735</b>	<b>8 173 760</b>