



BUSINESS REVIEW Q1

1 Jan. – 31 Mar 2025



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Key indicators

(EUR thousand)	1-3/2025	1-3/2024	Change	1-12/2024
Financial indicators				
Revenue	2 058	1 646	411	6 813
Gross margin	1 966	1 599	367	6 311
Gross margin of revenue, %	95,6 %	97,2 %	-1,6 %	92,6 %
Profit before tax	-1 359	320	-1 679	-9 298
EBITDA	-139	1 008	-1 147	-3 506
EBITDA of net revenue, %	-6,8 %	61,2 %	-68,0 %	-51,5 %
Adjusted EBITDA	1 701	1 440	261	5 709
Adjusted EBITDA of revenue, %	82,7 %	87,5 %	-4,8 %	83,8 %
Cash flow before change in working capital (FFO)	452	486	-34	-189
FFO of revenue, %	21,9 %	29,5 %	-7,6 %	-2,8 %
Interest-bearing liabilities	49 698	32 770	16 928	48 634
Interest covering ratio (ICR)	1,0	N/A	-	1,0
Return on equity % (ROE)	-14,1 %	2,6 %	-16,7 %	-22,9 %
Return on investment, % (ROI)	-0,5 %	7,7 %	-8,3 %	-4,7 %
Equity ratio, %	35,0 %	43,7 %	-8,7 %	34,7 %
Gearing ratio, %	144,0 %	95,6 %	48,5 %	138,3 %
Loan to value ratio, %	54,1 %	41,8 %	12,3 %	51,1 %
Personnel	7	7	0	9
Real estate indicators				
Investments in module stock	82 387	78 360	4 027	83 347
Utilization rate, %	89,9 %	94,3 %	-4,4 %	89,9 %
			-	
WAULT (Y)	3,3	3,4	0,1	3,6
Remaining lease payments under contracts	23 448	22 124	1 324	25 184
Gross investment in modules	1 771	625	1 146	12 466

Reconciliation of key indicators

(EUR thousand)	1-3/2025	1-3/2024	1-12/2024
Adjusted EBITDA			
Operating profit	-172	986	-3 621
Depreciation, amortization and impairments	33	21	115
EBITDA	-139	1 008	-3 506
Change in fair value of investment properties	1 717	401	8 269
Items affecting comparability			
Restoration costs exceeding the recorded provision	-	-	258
Costs related to the financial arrangement	123	31	687
Adjusted EBITDA	1 701	1 440	5 709
Cash flow before change in working capital (FFO)			
Adjusted EBITDA	1 701	1 440	5 709
Total financial income and expenses	-1 187	-666	-5 677
Change in fair value of loan receivables	-63	-288	-221
Adjusted net financial expenses	-1 250	-954	-5 898
Cash flow before change in working capital (FFO)	452	486	-189
Interest covering ratio (ICR)			
Operating profit, prev. 12 months	-4 779	N/A	-3 621
Depreciation, amortization and impairments, prev. 12 months	127	N/A	115
Change in fair value of investment properties, prev. 12 months	9 586	N/A	8 269
Items affecting comparability			
Restoration costs exceeding the recorded provision, previous 12 months	258	N/A	258
Costs related to the financial arrangement, previous 12 months	779	N/A	687
Adjusted EBITDA, prev. 12 months	5 970	N/A	5 709
Total financial income and expenses, prev. 12 months	-6 198	N/A	-5 677
Change in fair value of loan receivables, prev. 12 months	4	N/A	-221
Adjusted net financial expenses, prev. 12 months	-6 194	N/A	-5 898
Interest covering ratio (ICR)	1,0	N/A	1,0

General Information

The interim financial information included in this Business Review have been prepared using the same accounting policies and methods of computation as in the consolidated financial statements for the year 2024 prepared in accordance with IFRS Accounting Standards as adopted by EU. This is not an interim report under IAS 34. The Business Review should be read together with the consolidated financial statements for the year 2024.

The Business Review is unaudited.

All amounts shown in the financial statements and notes are rounded to the nearest 1,000 unless otherwise stated. As a result, the sums of the individual figures may differ from the total sum presented.

Modulo is a trademark of KoskiRent Plc (Finnish business ID: 2539752-6). KoskiRent Plc owns approximately 34,600 gross square meters of modular, transferable buildings. The company leases these buildings to Finnish municipalities, the government, and other public clients. The buildings are primarily used as schools and daycares, with some also contracted for social infrastructure and other purposes. Lease agreements are fixed-term contracts with extension options.

KoskiRent Plc is 100% owned by KoskiRent Group Oy, which provides equity funding and management for KoskiRent Plc's operational business.

KoskiRent Plc has its bonds listed on the Frankfurt Open Market under ISIN: NO0013250647. The bond terms are available on the company's website: www.modulo.fi/investors

Summary of Business Review 1 Jan. to 31 Mar. 2025

KoskiRent's revenue amounted to EUR 2.1 million (1.6), representing a 42.2 percent increase compared to the reference period (1 Jan to 31 Mar 2024).

Changes in the fair value of the module stock totaled EUR -1.7 million (-0.4). The change in fair value was influenced not only by the customary shortening of remaining lease terms, but also by a refinement of the valuation parameters applied to one leased building with an impact of EUR -1.2 million.

EBITDA was EUR 0.1 million (1.0), and Adjusted EBITDA was EUR 2.0 million (1.4). Cash flow before changes in working capital (FFO) increased by EUR 252 thousand to EUR 738 thousand (486).

The equity ratio decreased by -8.6 percentage points to 35.2 percent (43.7), and the loan-to-value ratio increased by 12.3 percentage points to 54.1 percent (41.8).

The utilization rate remained unchanged during the period at 89.9 percent.

Total comprehensive income for the period was EUR -863 thousand (221).

During the period, KoskiRent Group Oy made a EUR 1,197 thousand investment into unrestricted equity without share consideration.

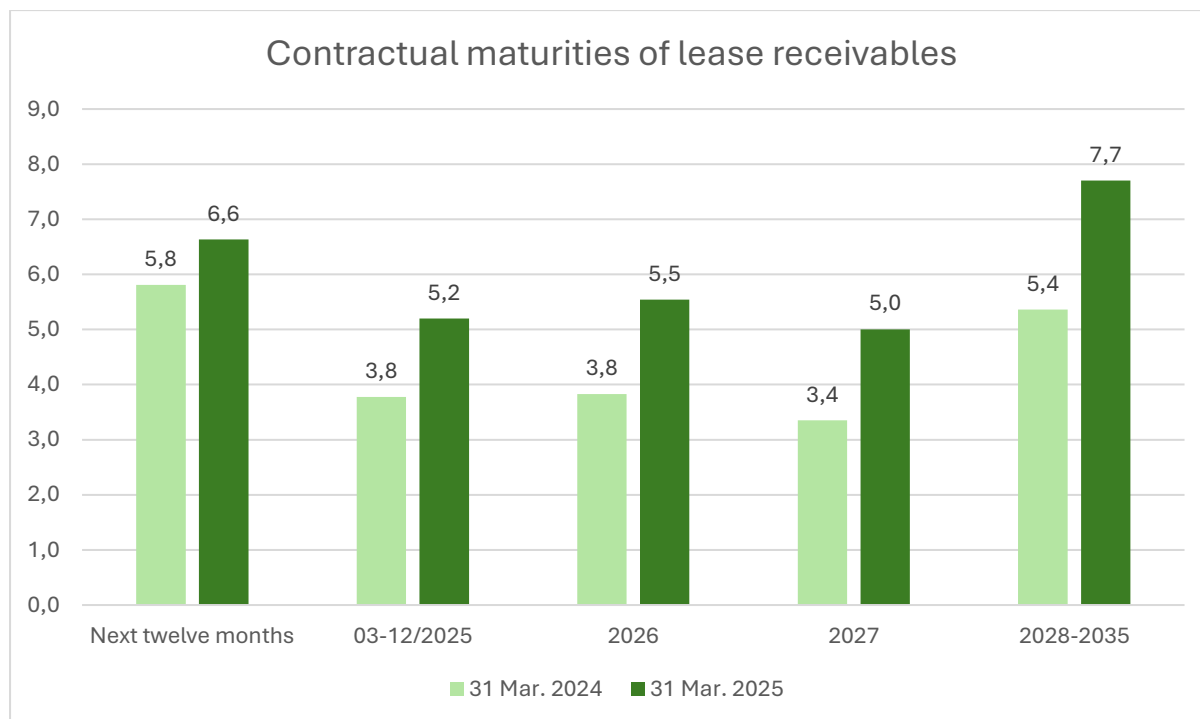
Extensions to two existing lease agreements were signed, generating rental revenue until Q4 2025 and Q2 2026, unless

extended further. KoskiRent also won a new daycare lease agreement with the City of Vaasa, which was signed after the reporting period.

During the reporting period, the 3M EURIBOR decreased by 0.38 percentage points and continued to decline after the period. This has a materially positive effect on KoskiRent's cash flow going forward.

Maintenance covenants for the KoskiRent Plc's bond were ICR 1,7 and Net Interest Bearing Debt to Value 54,1%. Minimum Cash was at 804 thousand at the end of period. On April 1, the Company received an equity investment of EUR 699 thousand from KoskiRent Group Oy, which restored the cash position above the minimum level of EUR 1.5 million as required by the covenant.

Rent revenue distribution



At the end of the reporting period, KoskiRent had EUR 23.4 million (16.3) in lease receivables under contract. Lease agreements had a contracted WAULT (Weighted Average Unexpired Lease Term) of 3.3 years (3.4) as of 31 March 2025.

Possible contract extensions are typically negotiated and signed around six months before the lease term ends. If the estimates regarding the total lease duration and rental levels materialize as projected by management, the WAULT is expected to be approximately double. Expected lease receivables are presented at nominal value and do not include potential contract extensions, rent increases, or contracts signed after the end of the reporting period.

After the reporting period

1st of April, KoskiRent received EUR 699 thousand equity investment without share consideration from KoskiRent Group Oy.

27th of May, KoskiRent Group Oy received EUR 249 thousand equity subscription, which is to be invested to KoskiRent Plc's equity without share consideration.

In April KoskiRent signed a lease agreement with the City of Vaasa for a daycare unit starting in December 2025. The lease term is 67 months and runs until Q2 2031, with possible extension options. After signing the new lease agreement, KoskiRent made EUR 1,289 thousand withdrawal from restricted cash according to the bond terms.

KoskiRent won and signed a small lease contract with the City of Seinäjoki in May 2025. The 60 month lease term is expected to start Q3 2025. The building will be delivered using modules stored in the inventory.

After the reporting period, the company completed its IFRS conversion project, and project-related costs will no longer affect the income statement after Q2 2025.

About markets

The market outlook for Modulo has remained unchanged. Demand for school and daycare units has remained steady. Social infrastructure demand has increased as regional wellbeing service counties have become more active in seeking suitable spaces to organize and operate effectively. This demand is expected to ramp up gradually during 2025 and 2026, as plans and property strategies are finalized across Finland.

KoskiRent has participated in several tender processes in line with its strategy. The current strategy focuses on schools and daycares, but the company is also actively engaging in market dialogue, particularly regarding healthcare facilities.

Market disruption in the Finnish real estate sector—especially among Housing and Community Properties Funds—continues. Some open-end funds that had been closed to redemptions remain closed. While KoskiRent is not directly affected, there are indirect impacts on equity funding, as the current atmosphere leads investors to remain cautious and wait for market conditions to stabilize before proceeding.

Consolidated comprehensive income statement

(EUR thousand)	1 Jan. 2025 - 31 Mar. 2025	1 Jan. 2024 - 31 Mar. 2024	1 Jan. 2024 - 31 Dec. 2024
Revenue	2 058	1 646	6 813
Maintenance and repair costs	-91	-47	-502
Gross margin	1 966	1 599	6 311
Change in fair value of the module stock	-1 717	-401	-8 269
Sales and marketing costs	-85	-76	-347
Administrative expenses	-337	-136	-1 254
Other expenses	-	-	-61
Operating profit	-172	986	-3 621
Financial income	23	0	145
Financial expenses	-1 272	-954	-6 043
Change in fair value of loan receivables	63	288	221
Total financial income and expenses	-1 187	-666	-5 677
Result before tax	-1 359	320	-9 298
Income taxes	267	-99	1 884
Total comprehensive income of the period	-1 092	221	-7 413
Total comprehensive income for the period is attributable to Shareholders of the parent company	-1 092	221	-7 413

Consolidated balance sheet

(EUR thousand)	31 Mar. 2025	31 Mar. 2024	31 Dec. 2024
ASSETS			
Non-current assets			
Investments in module stock	82 387	78 360	83 345
Advance payments	1 110	484	2
Tangible assets	155	94	167
Right-of-use assets	193	221	206
Intangible assets	261	202	263
Loan receivables	1 242	1 246	1 179
Trade and other receivables	161	142	180
Total non-current assets	85 509	80 749	85 341
Current assets			
Trade and other receivables	199	380	201
Income tax receivables	–	31	–
Restricted cash	4 350	–	4 327
Cash and cash equivalents	804	10	1 686
Total current assets	5 352	420	6 214
Total assets	90 861	81 169	91 555

	31 Mar. 2025	31 Mar. 2024	31 Dec. 2024
EQUITY			
Share capital	3	3	3
Reserve for invested unrestricted equity	12 007	6 630	10 810
Retained earnings	18 917	27 643	20 009
Total equity	30 926	34 275	30 821
LIABILITIES			
Non-current liabilities			
Bonds	48 021	–	47 831
Other loans	18	37	23
Lease liabilities	137	138	200
Provisions	1 875	1 729	1 869
Deferred tax liabilities	4 166	6 417	4 433
Advances received	1 658	2 162	2 038
Total non-current liabilities	55 875	10 483	56 393
Current liabilities			
Other loans	1 413	32 510	520
Lease liabilities	109	86	61
Provisions	433	445	344
Advances received	906	647	750
Trade and other payables	1 199	2 722	2 666
Total current liabilities	4 060	36 410	4 341
Total liabilities	59 935	46 893	60 734
Total equity and liabilities	90 861	81 169	91 555

Consolidated cash flow statement

(EUR thousand)	1 Jan. 2025 - 31 Mar. 2025	1 Jan. 2024 - 31 Mar. 2024	1 Jan. 2024 - 31 Dec. 2024
Cash flow from operating activities			
Operating profit	-172	986	-3 621
Adjustments:			
Depreciation, amortization and impairments	33	21	115
Change in fair value of the module stock	1 717	401	8 269
Change in provisions	-	-	-498
Changes in working capital:			
Change in trade and other receivables	-2	302	473
Change in trade and other payables	-535	341	548
Cash flow from operating activities	1 041	2 051	5 287
Net cash flow from operating activities	1 041	2 051	5 287
Cash flow from investing activities			
Acquisition of module stock	-2 896	-3 284	-13 854
Acquisition of tangible assets	-	-115	-144
Acquisition of intangible assets	-8	-	-190
Interest income received	23	80	225
Net cash flow from investing activities	-2 881	-3 319	-13 963
Cash flow from financing activities			
Invested unrestricted equity without share consideration	1 197	-	3 030
Proceeds from loans	1 400	2 500	48 673
Repayments of loans	-504	-815	-32 217
Repayment of lease liabilities	-15	-13	-56
Transaction costs related to issuing the bond	-	-	-2 544
Interest paid and payments for financial expenses	-1 120	-394	-6 525
Net cash flow from financing activities	957	1 277	10 362
Change in cash and cash equivalents	-882	9	1 686
Cash and cash equivalents at beginning of financial year	1 686	0	0
Cash and cash equivalents at end of financial year	804	10	1 686

Formulas for key indicator calculation

Key indicator	Calculation formula	Purpose
Gross margin of revenue, %	Gross margin / Revenue x 100	The indicator is used to estimate the profitability of the company's core business before fixed costs. It shows how much revenue is left after deducting maintenance and repair costs.
EBITDA	Operating profit + Depreciation, amortization and impairment	EBITDA is a profitability indicator that measures operating profit before net financial expenses, taxes and depreciation.
EBITDA of net revenue, %	EBITDA / Revenue x 100	The indicator describes the company's profitability, which indicates how much EBITDA is relative to revenue.
Adjusted EBITDA	Operating profit + Depreciation, amortization and impairments +/- Gains and losses on disposal of assets +/- Change in fair value of investment properties +/- Items affecting comparability	Adjusted EBITDA describes the profitability of the company's leasing business, excluding items affecting comparability, gains and losses on disposals of assets, and deferred gains/losses from fair value measurement of investment properties
Adjusted EBITDA of revenue, %	Adjusted EBITDA / Revenue x 100	The indicator describes the ratio of adjusted EBITDA to revenue.
Cash flow before change in working capital (FFO)	Adjusted EBITDA - Adjusted net financial expenses - Tax based on the taxable income for the financial year +/- Tax based on taxable income for the financial year arising from disposals	Cash flow before changes in working capital describes the cash flow generated by the Group's business before changes in working capital. The calculation of the indicator considers the impact of financial expenses and taxes on profitability, but not items not belonging to actual rental operations, such as gains and losses on disposals from the sale of assets or their tax impact, as well as imputed gains/losses from fair value measurement.
FFO of revenue, %	Cash flow before change in working capital (FFO) / Revenue x 100	The indicator describes the ratio of FFO to revenue.

Interest coverage ratio (ICR)	Adjusted EBITDA of the previous 12 months / Adjusted net financial expenses of the previous 12 months	The interest income indicator describes the ratio of adjusted EBITDA to financial expenses adjusted for items affecting comparability. The indicator is used to estimate the amount of financial costs.
Return on equity % (ROE)	Profit for the period / Equity for the period, average at the beginning and end of the reporting period x 100	Return on equity measures the result for the period relative to equity. The indicator describes the Group's ability to generate return on owners' invested capital.
Return on investment, % (ROI)	(Profit before tax + adjusted net financial expenses) / (Equity + interest-bearing liabilities), average of the beginning and end of reporting period x 100	Return on investment measures the result for the period relative to equity. The indicator describes the Group's ability to generate a return on the assets invested by owners and financiers.
Equity ratio, %	Equity / (Total assets - Advances received) x 100	The equity ratio is a financial structure indicator that shows the proportion of equity in capital employed. The indicator describes the Group's financing structure.
Gearing ratio, %	Loans and lease liabilities - Cash and cash equivalents and restricted cash / Equity at the end of the reporting period x 100	The net gearing ratio is a financial indicator that can be used to estimate a company's financial structure and risk level.
Loan to value ratio, %	(Interest-bearing liabilities - Cash and cash equivalents - Restricted cash) / Investment properties + Advance payments x 100	The loan to value ratio represents the proportion of net debt to the fair value of investment properties. The indicator describes the Group's debt ratio relative to the fair value of its investment properties.
Investments in module stock	Investments in the module stock at fair value	By examining the development of investments in the module stock, one can estimate the value development of the company's leased assets.
Utilization rate, %	Leased floor area under contract / Total floor area in leasing use x 100	The ratio is used to estimate how efficiently the leased capacity is utilized.
WAULT (Y)	Weighted average lease term of unexpired lease periods in years during the reporting period	Weighted average based on the amount of rent for the remaining lease term. WAULT describes the average lease term of unexpired rents.
Remaining lease payments under contracts	Remaining rental income from signed lease agreements starting from the end of the reporting period	The company's rental income streams are based on lease agreements, excluding new or extended agreements. Remaining lease payments under contracts describe the cash flows to be received from agreements in the future.

Gross investment in modules

Investments and advance payments in modules

The key indicator is used to estimate how much the company has invested during the reporting period.



Additional information

KoskiRent Plc
Tarmo Urpilainen
Chief Financial Officer
p. +358 45 666 4133
tarmo.urpilainen@modulo.fi