



kojamo



Financial Statements Release
1 January–31 December 2023



Kojamo plc's Financial Statements Release 1 January–31 December 2023

Total revenue and FFO increased in 2023 in a challenging operating environment

Unless otherwise stated, the comparison figures in brackets refer to the corresponding period of the previous year. The information in the Financial Statements Release is based on the Kojamo plc's audited Financial Statements for the year 2023. The quarterly figures are unaudited.

All statements made in this report regarding the company or its business are based on the views of the management, and the

sections addressing the general macro-economic or industry situation are based on third-party information.

If there are differences between different language versions of the Financial Statements Release, the Finnish version is the official one.

Summary of October–December 2023

- Total revenue increased by 5.2 per cent to EUR 113.5 (107.9) million.
- The financial occupancy rate increased to 94.0 (93.0) per cent in the last quarter.
- Net rental income increased by 4.3 per cent totalling EUR 75.5 (72.4) million. Net rental income represented 66.5 (67.1) per cent of revenue.
- Result before taxes was EUR -119.5 (-748.3) million. The result includes EUR -158.7 (-792.8) million in net result on the valuation of investment properties at fair value. Earnings per share was EUR -0.38 (-2.42).
- Funds From Operations (FFO) decreased by 6.0 per cent and amounted to EUR 38.3 (40.7) million.
- Gross investments totalled EUR 29.5 (85.1) million, representing 26.0 (78.9) per cent of total revenue.

Summary of January–December 2023

- Total revenue increased by 7.0 per cent to EUR 442.2 (413.3) million.
- Net rental income increased by 6.1 per cent, totalling EUR 297.2 (280.1) million. Net rental income represented 67.2 (67.8) per cent of revenue.
- Result before taxes was EUR -112.3 (-499.8) million. The result includes EUR -295.4 (-682.0) million in net result on the valuation of investment properties at fair value and EUR 0.2 (0.2) million in profit/loss from the sale of investment properties. Earnings per share was EUR -0.36 (-1.62).
- Funds From Operations (FFO) increased by 4.1 per cent and amounted to EUR 167.2 (160.7) million.
- The fair value of investment properties was EUR 8.0 (8.2) billion at the end of the financial year.
- The financial occupancy rate stood at 93.0 (92.0) per cent during the financial year.
- Gross investments totalled EUR 190.7 (501.6) million, representing 43.1 (121.4) per cent of total revenue.
- Equity per share was EUR 14.67 (15.55) and return on equity was -2.4 (-9.9) per cent. Return on investment was -0.4 (-5.7) per cent.
- EPRA NRV per share (net reinstatement value) decreased by 5.5 per cent and amounted to EUR 18.45 (19.53).
- At the end of the financial year, there were 354 (1,804) Lumo apartments under construction.
- The Board of Directors' dividend proposal is that no dividend be paid for 2023.

Kojamo owned 40,619 (39,231) rental apartments at the end of the financial year. In 2023, Kojamo acquired 0 (985) apartments, completed 1,450 (1,348) apartments, sold 73 (0) apartments and demolished or otherwise altered 11 (1) apartments.



Outlook for 2024

Kojamo estimates that in 2024, the Group's total revenue will increase by 4–8 per cent year-on-year. In addition, Kojamo estimates that the Group's FFO for 2024 will amount to between EUR 154–166 million, excluding non-recurring items.

The outlook is based on the management's assessment of total revenue, property maintenance costs and repairs, administrative expenses, financial expenses, taxes to be paid and new development to be completed, as well as the management's view on future developments in the operating environment.

The outlook takes into account the estimated occupancy rate and rises in rents as well as the number of apartments to be completed. The outlook does not take into account the impact of potential acquisitions or disposals on total revenue and FFO.

The management can influence total revenue and FFO through the company's business operations. In contrast, the management has no influence over market trends, the regulatory environment or the competitive landscape.

Saving programme

In August 2023, Kojamo launched a saving programme where the company targets total savings of approximately EUR 43 million in costs and investments during 2024, of which the share of costs is estimated to be approximately EUR 18 million. We will not make new investments for the time being, and we will reduce repairs other than those supporting renting of apartments. We started change negotiations as part of the saving programme which were concluded in October 2023. We

may carry out property sales during 2024. In addition, the company's Board of Directors will propose to the Annual General Meeting in the spring of 2024 that no dividend be paid for 2023. All measures aim at maintaining the company's profitability and safeguarding credit rating.

The saving programme is proceeding as planned.

Effects of Russia's war of aggression in Ukraine on Kojamo

The continuation of Russia's war of aggression is still reflected in the recovery of the world economy. The development of the Finnish economy was weak last year. Energy prices, which had risen sharply due to the war, fell during the year, but in

general, inflation continued to be high. The rise in prices affected Kojamo's maintenance costs, especially in the beginning of the year regarding heating costs and electricity prices.



Key figures

	10–12/2023	10–12/2022	Change %	2023	2022	Change %
Total revenue, M€	113.5	107.9	5.2	442.2	413.3	7.0
Net rental income, M€ *	75.5	72.4	4.3	297.2	280.1	6.1
Net rental income margin, % *	66.5	67.1		67.2	67.8	
Profit/loss before taxes, M€ *	-119.5	-748.3	84.0	-112.3	-499.8	77.5
EBITDA, M€ *	-94.8	-732.3	87.1	-39.9	-441.3	91.0
EBITDA margin, % *	-83.5	-678.7		-9.0	-106.8	
Adjusted EBITDA, M€ *	63.3	60.6	4.5	255.1	240.4	6.1
Adjusted EBITDA margin, % *	55.8	56.2		57.7	58.2	
Funds From Operations (FFO), M€ *	38.3	40.7	-6.0	167.2	160.7	4.1
FFO margin, % *	33.7	37.8		37.8	38.9	
FFO excluding non-recurring costs, M€ *	38.3	40.7	-6.0	167.2	160.7	4.1
Investment properties, M€				8,038.8	8,150.2	-1.4
Financial occupancy rate, %				93.0	92.0	
Interest-bearing liabilities, M€ *				3,600.4	3,678.2	-2.1
Return on equity (ROE), % *				-2.4	-9.9	
Return on investment (ROI), % *				-0.4	-5.7	
Equity ratio, % *				44.5	45.3	
Loan to Value (LTV), % *				44.6	43.7	
EPRA Net Reinstatement value (NRV), M€				4,558.8	4,825.9	-5.5
Gross investments, M€ *	29.5	85.1	-65.4	190.7	501.6	-62.0
Number of personnel, end of the period				288	304	
Key figures per share, €	10–12/2023	10–12/2022	Change %	2023	2022	Change %
FFO per share *	0.15	0.16	-6.3	0.68	0.65	4.6
Earnings per share	-0.38	-2.42	84.3	-0.36	-1.62	77.8
EPRA NRV per share				18.45	19.53	-5.5
Equity per share				14.67	15.55	-5.7
Dividend per share ¹⁾				-	0.39	-100.0

* In accordance with the guidelines issued by the European Securities and Markets Authority (ESMA), Kojamo provides an account of the Alternative Performance Measures used by the Group in the Key figures, the formulas used in their calculation, and reconciliation calculations in accordance with ESMA guidelines section of the Financial Statements

¹⁾ 2023: The Board of Directors proposes to the Annual General Meeting that no dividend be paid for 2023



CEO's review



We achieved a good result last year in a very challenging market. Total revenue, net rental income and FFO increased, and our financial position has remained strong.

Although there was still a lot of supply in the rental market, we managed to improve our occupancy rate from previous year. Urbanisation continued stronger, which boosted demand. Population growth accelerated last year in the so-called growth triangle, meaning the capital region, Tampere and Turku. According to the latest forecasts, urbanisation will continue to be strong. In addition, the increased immigration in recent years will advance urbanisation. There has been oversupply in the rental market due to the high level of construction in recent years. While this still affected the recovery of the occupancy rate, the market situation is expected to become more balanced as new supply decreases significantly. The number of new housing start-ups plummeted to a record low last year, and for the moment, there are no signs suggesting that the number of new housing start-ups will begin to increase. The slowdown of construction and the simultaneous acceleration of population growth will likely be reflected in improved occupancy rates as well as higher rent increases.

The fair value of our investment properties decreased by 1.9 per cent in the year-end valuation. Last year, there were no significant comparable transactions in the transaction market, so the increase in yield requirements was based on an overall evaluation. The valuation was positively impacted by increased cash flows and the growth assumptions of future rents and expenses.

We launched a saving programme in the early autumn because we want to maintain investment grade credit rating and to ensure the company's strong financial position. The saving programme has progressed as planned, and we have

not started new investments. In relation to the personnel costs, we renewed organization in the autumn to make our operations more efficient. The lay-offs are being implemented in stages after the end of the change negotiations, and most of the personnel cost savings as well as other cost impacts and the dividend decision will be visible in 2024. In December, Moody's affirmed our Baa2 credit rating.

We successfully made significant financing arrangements despite the uncertainty in the financial market. During the year, we signed loan agreements totalling EUR 925 million with Nordic banks. These arrangements enabled us to refinance the loans that matured during last year, and they also cover our loans maturing in 2024. This is proof of the strength of our banking relationships as well as the significance of the saving measures we have taken. Our company has taken a long-term approach in terms of financing, and it has always been important to us to maintain access to diverse sources of funding. For several years now, we have also hedged most of our loans to fixed-rate loans. The high hedging ratio reduced the impact of the increased interest rates last year, and our financial key figures have remained strong. The next financing arrangements will target loans maturing in 2025. Thus, after the review period, in January, we issued EUR 200 million bond as a private placement. Our liquidity position is good.

Our investments last year amounted to EUR 190.7 million with the continuation of the development projects started in the previous years. Last year, we completed a total of 1,450 apartments, one of which was our conversion project on Bulevardi. We built 77 premium rental apartments in the previous chemistry laboratory and teaching facilities of the historical Helsinki University of Technology. Our housing portfolio grew to 40,619 apartments. We had 354 apartments under construction at the turn of the year, and these last ongoing projects will be completed in early 2024.

The customer experience has always been a key part of our strategy. At the end of the year, the net promoter score (NPS) of our customers was 50, representing a five-point improvement compared to the previous year. During the year, we developed the My Lumo service on the basis of our residents' wishes. The changes were based on a resident survey and usability testing, and their aim was to improve customer satisfaction and retention, as well as to reduce the number of customer service contacts.

Last year was highly exceptional in terms of the operating environment. We again demonstrated our strength and capacity for both anticipation and renewal in the face of the changes around us. With that in mind, I want to take this opportunity to thank everyone at Kojamo for their excellent work. I also wish to thank all of our customers, partners and shareholders for their trust in the company.

Jani Nieminen

CEO



Operating environment

General operating environment

As Kojamo operates in the residential real estate sector, the company is affected particularly by the situation in the residential property market and development in Finnish growth centres. The company is also affected by financial market situation

and interest rates, as well as macroeconomic factors, such as economic growth, employment, disposable income, inflation, regional population growth and household sizes.

Operating environment key figures

%	2024E	2023E
GDP growth	0.7	-0.5
Unemployment	7.5	7.2
Inflation	2.0	6.3

Source: Ministry of Finance, Economic survey 12/2023

According to the economic survey published by the Ministry of Finance in December, the outlook for the global economy is uncertain. High interest rates, weak consumer confidence as well as geopolitical tensions cast a shadow over the outlook. However, inflation has slowed down quickly, and employment has remained high in many economies.

With the slowing inflation, it is estimated that the US and the European central bank's the rate hike cycle of is over, and the market expects interest rate cuts to start in the first half of 2024.

The economic outlook for the United States is quite favorable, and the growth continued strong last autumn driven by private consumption. Economic growth is expected to slow down during 2024, but the decline is believed to be short-lived. Economic growth in the euro area stalled at the end of 2023 as Germany's growth, in particular, has been weak. The predictive indicators for industry and services are at a low level.

The Finnish economy contracted slightly in 2023. The fall in interest rates and the slowdown in inflation will increase consumers' purchasing power as well as investments, and the Finnish economy is expected to turn to a small growth in 2024. Employment is estimated to decrease temporarily, but to remain at a high level.

Industry operating environment

Industry key figures

	2024E	2023E
Residential start-ups, units	<19,500	<16,000
of which non-subsidised block-of-flats	5,000	3,800
Building permits granted, annual, units *	n/a	20,992
Construction costs, change % **	n/a	1.1

* Rolling 12 months, November 2023, ** 2023E: building cost index, December 2023

Sources: Confederation of Finnish Construction Industries (CFCI), economic forecast September 2023; Statistics Finland, Building and dwelling production; Statistics Finland, Building cost index; Construction companies' interim reports

According to the Confederation of Finnish Construction Industries CFCI's economic forecast published in September, the number of residential start-ups was predicted to fall to a historically low level of around 16,000 apartments in 2023 and to remain almost as low this year as well. Based on the interim reports published by construction companies, the number of start-ups may be significantly lower than this.

due to weak demand and high plot and construction prices. Nordea estimates that plot prices and construction costs should fall by about 15 per cent from the current level in order for construction to become profitable again. Despite the expectation of lower interest rates, it does not appear that the construction will start on a large scale yet in 2024. Construction may be at a standstill for a longer period of time, which reduces the housing supply.

According to Nordea's housing market review published in December, the strong contraction in residential construction is



Effects of urbanisation

Area	Population growth forecast, %	Share of rental household-dwelling units, %	
	2022–2040	2010	2022
Helsinki	22.4	47.1	50.4
Capital region ¹⁾	25.9	41.9	46.6
Helsinki region ²⁾	n/a	37.7	42.6
Jyväskylä	8.0	40.2	46.0
Kuopio	3.5	36.5	42.1
Lahti	-0.2	37.3	42.0
Oulu	9.6	36.7	43.3
Tampere	17.6	42.2	51.5
Turku	18.1	43.0	51.8
Other areas	n/a	23.8	26.8

¹⁾ Helsinki, Espoo, Kauniainen, Vantaa

²⁾ Capital region, Hyvinkää, Järvenpää, Kerava, Kirkkonummi, Mäntsälä, Nurmijärvi, Pornainen, Porvoo, Riihimäki, Sipoo, Tuusula, Vihti

Sources: Statistics Finland, Dwellings and Housing Conditions 2022; MDI population forecast 2040 (urbanization scenario), September 2023

According to the population forecast published by MDI in September 2023, urbanization continues strongly, and regional differences are increasing. In the future, the population will be concentrated in large city areas largely with the rest of Finland weakening. In addition to migration within the country, immigration that has increased in the 2020s will advance urbanization. Immigration is strong to the capital region as well other large cities.

The population growth of the capital region, Tampere and Turku accelerated during the last year. According to Statistics Finland's preliminary population statistics, Helsinki, Espoo,

Tampere, Vantaa and Turku were Finland's most grown municipalities in 2023. With the exception of Vantaa, the population increase of all these municipalities has been stronger than in the past few decades. The population growth was especially strong in Helsinki, where it was almost double compared to the previous year.

According to Nordea's housing market review, at the same time that urbanization has intensified, construction has fallen sharply. This is expected to significantly balance the supply-demand situation in the market.

Business operations

Kojamo is the largest private residential real estate company in Finland measured by the fair value of investment properties. Kojamo offers rental apartments and housing services for residents primarily in Finnish growth centres. At the end of the financial year, Kojamo's property portfolio comprised 40,619 (39,231) rental apartments. The fair value of Kojamo's investment properties amounted to EUR 8.0 (8.2) billion at the end of the financial year. Investment properties include completed apartments as well as development projects and land areas.

Measured at fair value on 31 December 2023, 97.5 per cent of Kojamo's rental apartments were located in the seven largest Finnish growth centres, 86.8 per cent in the Helsinki, Tampere and Turku regions and 73.8 per cent in the Helsinki region.

Kojamo's share of the country's entire rental housing market is about four per cent.

Kojamo aims to create the best customer service experience for its customers, which is why the company has made significant investments in services. The Lumo webstore allows customers to rent a suitable apartment by paying the first month's rent, after which they can move into their new home as soon as the next day. Kojamo's resident cooperation model gives the residents an opportunity to influence the development of housing and Lumo services. Lumo apartments offer a range of different services, such as broadband internet connection included in the rent and a car sharing service.



Financial development October–December 2023

Total revenue

Kojamo's total revenue increased to EUR 113.5 (107.9) million. Total revenue is generated entirely by income from rental operations.

The financial occupancy rate increased to 94.0 (93.0) per cent in the last quarter.

Total revenue increased especially due to the rental apartments completed in 2022 and 2023 by around EUR 4.0 million, due to the development of rents and the financial occupancy rate by around EUR 1.5 million and due to the properties acquired in the summer of 2022 by around EUR 0.1 million.

Result and profitability

Net rental income increased to EUR 75.5 (72.4) million, which corresponds to 66.5 (67.1) per cent of total revenue. The growth in net rental income was positively impacted by a EUR 5.6 million increase in total revenue and the decrease of repair costs EUR 0.6 million and negatively impacted by EUR 3.1 million increase in maintenance costs.

Result before taxes was EUR -119.5 (-748.3) million. The result includes EUR -158.7 (-792.8) million in net result on the valuation of investment properties at fair value. The negative impact on the valuation of the investment properties at fair value was mainly attributable to yield increase by EUR -661.3 million, positively affected by the growth in net rental income by EUR 330.8 million, changes in inflation, rents and expense growth assumptions by EUR 181.7 million and negative impact on other items by EUR -9.8 million. The yield requirements for the valuation of the investment properties were increased on an average by 0.37 percentage points during the fourth quarter. Result before taxes and excluding net result on the valuation of the investment properties at the fair value decreased by EUR 5.4 million.

Financial income and expenses totalled EUR -24.4 (-15.9) million. Financial income and expenses include EUR -1.3 (0.2) million in unrealised changes in the fair value of derivatives.

Funds From Operations (FFO) amounted to EUR 38.3 (40.7) million.

Financial development January–December 2023

Total revenue

Kojamo's total revenue increased to EUR 442.2 (413.3) million. Total revenue is generated entirely by income from rental operations.

Total revenue increased especially due to the rental apartments completed in 2022 and 2023 by around EUR 17.0 million, due to the development of rents and the financial occupancy rate by around EUR 6.1 million, and due to the properties acquired in the summer of 2022 by around EUR 4.8 million.

Result and profitability

Net rental income increased to EUR 297.2 (280.1) million, which corresponds to 67.2 (67.8) per cent of total revenue. The growth of total revenue EUR 28.9 million and the decrease of repair costs by a EUR 0.9 million had a positive impact and higher property maintenance costs EUR 12.6 million had a negative impact on the net rental income. Heating costs, credit losses and property taxes, in particular, increased year-on-year.

Result before taxes was EUR -112.3 (-499.8) million. Result includes EUR -295.4 (-682.0) million in net result on the valuation of investment properties at fair value and EUR 0.2 (0.2) million in profit/loss from the sale of investment properties. The negative impact on the valuation of the investment properties at fair value was mainly attributable to yield increase by EUR -

815.5 million and positively affected by the growth in net rental income by EUR 305.9 million, changes in inflation, rents and expense growth assumptions by EUR 181.7 million and other items by EUR 32.5 million. The yield requirements and other input data are based on market observations and the best available market information. This information includes the opinion of an external independent valuer. The yield requirements for the valuation of the investment properties were increased on an average by 0.43 percentage points. Result before taxes and excluding net result on the valuation of the investment properties at the fair value increased by EUR 0.9 million totalling EUR 183.1 (182.2) million.

Financial income and expenses totalled EUR -71.3 (-57.4) million. Financial income and expenses increased EUR 13.9 million year-on-year. Gain/loss on the valuation of investments amounted to EUR 1.1 (-1.4) million and the unrealised change in the fair value of derivatives EUR -0.9 (6.8) million. A profit of EUR 8.7 million was recorded in financial income as the difference between the nominal value of the repurchased bonds and their purchase prices. Interest expenses increased by EUR 17.6 million year-on-year due to the higher amount of interest-bearing liabilities.

Funds From Operations (FFO) amounted to EUR 167.2 (160.7) million. The increase in FFO was attributable to the improvement in net rental income and the profit from the repurchase of bonds during the financial year.



Balance sheet, cash flow and financing

	31 Dec 2023	31 Dec 2022
Balance sheet total, M€	8,158.3	8,482.3
Equity, M€	3,625.9	3,842.7
Equity per share, €	14.67	15.55
Equity ratio, %	44.5	45.3
Return on equity (ROE), %	-2.4	-9.9
Return on investment (ROI), %	-0.4	-5.7
Interest-bearing liabilities, M€	3,600.4	3,678.2
Loan to Value (LTV), %	44.6	43.7
Coverage ratio	3.6	3.8
Average interest rate of loan portfolio, % *	2.4	1.9
Average loan maturity, years	2.8	3.5
Cash and cash equivalents, M€	15.0	119.4

* Includes interest rate derivatives

Kojamo's liquidity was good during the financial year. At the end of the financial year, Kojamo's cash and cash equivalents stood at EUR 15.0 (119.4) million and liquid financial assets at EUR 3.3 (104.0) million.

EUR 39.7 (30.9) million of the EUR 250 million commercial paper programme was in use at the end of the financial year. Kojamo has committed credit facilities of EUR 275 million and an uncommitted credit facility of EUR 5 million that were unused at the end of the financial year. In addition, the below mentioned EUR 425 million syndicated loan signed in October was undrawn at the end of the financial year.

The following financing arrangements were made during the financial year:

In April, Kojamo plc signed a new EUR 75 million credit agreement with Aktia Bank Plc. The credit agreement is unsecured and has a maturity of five years. The loan was used for the refinancing of a EUR 50 million credit agreement with Aktia that

matured in summer 2023, as well as for the group's general financing needs.

In May, Kojamo plc signed a new EUR 425 million credit facility agreement linked to its sustainability targets together with six relationship banks. The syndicated loan is secured and has a maturity of three years with two one-year extension options. The loan was used to refinance company's existing indebtedness as well as for the group's general financing needs.

In June, Kojamo plc repurchased with a public tender offer EUR 150 million of its bonds maturing in 2024 and 2025. The bond maturing in 2024 was repurchased for EUR 65.5 million and the bond maturing in 2025 for EUR 84.5 million.

In October, Kojamo plc signed a new EUR 425 million credit agreement linked to its sustainability targets together with five relationship banks. The loan is secured and has a maturity of three years with two one-year extension options. The loan will be used for the refinancing of company's existing indebtedness as well as for the group's general financing needs.

Real estate property and fair value

M€	31 Dec 2023	31 Dec 2022
Fair value of investment properties on 1 Jan	8,150.2	8,327.5
Acquisition of investment properties	165.1	478.9
Modernisation investments	26.7	22.5
Disposals of investment properties	-12.0	-1.3
Capitalised borrowing costs	4.2	4.6
Profit/loss on fair value of investment properties	-295.4	-682.0
Fair value of investment properties at the end of the period	8,038.8	8,150.2

Kojamo owned a total of 40,619 (39,231) rental apartments at the end of the financial year.

The fair value of Kojamo's investment properties is determined quarterly on the basis of the company's own evaluation. An external expert gives a statement on the valuation of Kojamo's

investment properties. The latest valuation statement was issued on the situation as at 31 December 2023. The criteria for determining fair value are presented in the Notes to the Financial Statements.



At the end of the review period, the plot and real estate development reserve held by the Group totalled about 211,000 floor sq.m (184,000 floor sq.m). The fair value of the plot and real

estate development reserve (including the Metropolia properties) was EUR 178.1 (152.7) million at the end of the financial year.

Rental housing

Apartments	31 Dec 2023	31 Dec 2022
Number of apartments	40,619	39,231
Average rent, €/m ² /month	17.81	17.55
Average rent, €/m ² /month, yearly average	17.74	17.30

Kojamo responds to the trends of urbanisation, digitalisation and communality in accordance with its strategy, providing its customers with apartments with good locations and services that make daily life easier, increase the attractiveness of housing and improve the sense of community. Kojamo's properties

form a networked service platform that enables agile innovation implementation in cooperation with other operators.

All Lumo rental apartments are also easily available for rent on our webstore.

Rental housing key figures

%	1-12/2023	1-12/2022
Financial occupancy rate	93.0	92.0
Tenant turnover rate, excluding internal turnover	29.5	31.1
Like-for-Like rental income growth *	1.9	0.3
Rent receivables in proportion to revenue	1.6	1.5

* Change of rental income for properties owned for two consecutive years in the past 12 months compared to the previous 12-month period

The annual financial occupancy rate was 93.0 (92.0) per cent. At year-end, 133 (274) apartments were vacant due to renovations.

Kojamo's property portfolio by region as at 31 Dec 2022

%	Helsinki region	Tampere region	Turku region	Oulu	Jyväskylä	Kuopio region	Lahti region	Others
Distribution by number of apartments	62.4	9.7	5.2	5.5	5.1	4.1	3.5	4.5
Distribution by fair value	73.8	8.7	4.3	2.9	3.1	2.5	2.2	2.5



Information on the property portfolio as at 31 Dec 2023

Area	Number of apartments, units	Number of commercial premises and other leased premises, units	Fair value, M€	Fair value, € 1,000/unit	Fair value, €/m ²	Financial occupancy rate, % ³⁾
Helsinki region	25,332	476	5,711.4	221	4,135	91.9
Tampere region	3,949	111	670.7	165	3,234	96.4
Turku region	2,122	25	334.6	156	2,935	95.8
Other	9,216	145	1,017.9	109	2,063	94.7
Total	40,619	757	7,734.5 ¹⁾	187	3,523	93.0
Other			304.3 ²⁾			
Total portfolio	40,619	757	8,038.8			

¹⁾ The figures reflect income-generating portfolio assets, which excludes new projects under constructions, plots owned by the company and ownership of certain assets through shares

²⁾ Fair value of ongoing projects under constructions, plots owned by the company and ownership of certain assets through shares and IFRS 16 right-of-use assets

³⁾ The financial occupancy rate does not include commercial premises and other leased premises

Investments, divestments and real estate development

Investments

M€	31 Dec 2023	31 Dec 2022
Acquisition of investment properties *	159.9	474.5
Modernisation investments	26.7	22.5
Capitalised borrowing costs	4.2	4.6
Total	190.7	501.6
Repair expenses, M€	29.3	30.2

* Not including leases for plots of land.

Number of apartments

Units	31 Dec 2023	31 Dec 2022
Apartments at the start of the financial year	39,231	36,897
Divestments	-73	-
Acquisitions	-	985
Completed	1,450	1,348
Demolished or altered	11	1
Apartments at the end of the financial year	40,619	39,231
Started during the financial year	-	477
Under construction at the end of the financial year	354	1,804
Preliminary agreements for new construction	119	230

A total of 0 (985) apartments were acquired and sold 73 (0) apartments during the financial year.

Of the apartments under construction, 354 (1,671) are located in the Helsinki region and 0 (133) in other Finnish growth centres. A total of 1,450 (1,348) apartments were completed during the financial year.



Modernisation investments during the financial year amounted EUR 26.7 (22.5) million and repair costs totalled EUR 29.3 (30.2) million.

Kojamo estimates that investments in development projects will amount to EUR 15–18 million in 2024.

Binding acquisition agreements for new development

M€	31 Dec 2023	31 Dec 2022
Actual costs incurred from new construction in progress	84.8	293.6
Cost of completing new construction in progress	10.0	145.1
Total	94.9	438.7

Plots and real estate development sites owned by the company

	31 Dec 2023		31 Dec 2022	
	M€	1,000 fl.sq.m	M€	1,000 fl.sq.m
Plots	30.9	51	35.6	59
Plots and existing residential building	74.5	93	44.4	57
Conversions	72.8	67	72.8	68
Total ¹⁾	178.1	211	152.7	184

¹⁾ The management's estimate of the fair value and building rights of the plots

Binding preliminary agreements and provisions for plots and real estate development

	31 Dec 2023		31 Dec 2022	
	M€	1,000 fl.sq.m	M€	1,000 fl.sq.m
Preliminary agreements for new construction ¹⁾	24.7		48.7	
Estimate of the share of plots of preliminary agreements for new development ²⁾	4.2	5	8.5	12
Preliminary agreements and reservations for plots ²⁾	34.9	45	31.0	44

¹⁾ Including plots

²⁾ The management's estimate of the fair value and building rights of the plots

Strategic targets and their achievement

Strategic targets

	2023	2022	2021	2020	Target
Annual growth of total revenue, %	7.0	5.5	2.0	2.3	4–5
Annual investments, M€	190.7	501.6	356.9	371.2	200–400
FFO/total revenue, %	37.8	38.9	39.1	39.5	> 36
Loan to Value (LTV), %	44.6	43.7	37.7	41.4	< 50
Equity ratio, %	44.5	45.3	49.0	45.6	> 40
Net Promoter Score (NPS) *	50	45	20	36	40

* The calculation method has changed for example including digital services in calculation. Actual for years 2021 and 2020 have not been adjusted to reflect the current calculation method.

Kojamo's objective is to be a stable dividend payer whose annual dividend payment will be at least 60 per cent of FFO, provided that the Group's equity ratio is 40 per cent or more and taking account of the company's financial position.

In August, Kojamo plc announced that as a part of the saving programme, the company's Board of Directors will propose to the Annual General Meeting in the spring of 2024 that no dividend be paid for 2023.



Shares and shareholders

Issued shares and share capital

Kojamo's share capital on 31 December 2023 was EUR 58,025,136 and the number of shares at the end of the financial year was 247,144,399.

Trading in the company's share

Kojamo's shares are listed on the official list of Nasdaq Helsinki.

Share price and trading

	2023	2022	2020
Lowest price, €	7.41	11.62	15.64
Highest price, €	15.71	22.10	21.42
Average price, €	10.29	16.98	18.97
Closing price, €	11.90	13.80	21.24
Market value of share capital, end of period, M€	2,941.0	3,410.6	5,249.3
Share trading, million units	103.8	86.5	125.0
Share trading of total share stock, %	42.0	35.0	50.6
Share trading, M€	1,068.6	1,471.8	2,370.9

In addition to the Nasdaq Helsinki stock exchange, Kojamo shares were traded on other marketplaces. From 1 January to 31 December 2023, approximately 215 million (approximately 185 million) Kojamo shares were traded on alternative marketplaces, corresponding to approximately 70 per cent (approximately 70 per cent) of the total trading volume (Source: Modular Finance).

Own shares

Kojamo did not hold any of its own shares during or at the end of the financial year.

Dividend

In accordance with the Board of Directors' proposal, the Annual General Meeting on 16 March 2023 decided that a dividend of EUR 0.38 per share, or EUR 96,386,315.61 in total, be paid for the financial year 2022 and that EUR 154,673,003.39 be retained in unrestricted equity. The dividend payment date was 5 April 2023.

In August, Kojamo plc announced that as a part of the saving programme, the company's Board of Directors will propose to the Annual General Meeting in the spring of 2024 that no dividend be paid for 2023.

Shareholders

At the end of the review period, the number of registered shareholders was 13,452, including nominee-registered share-

holders. Kojamo has a single series of shares, and each share entitles its holder to one vote in the general meeting of shareholders of the company. There are no voting restrictions related to the shares. The shares have no nominal value. The company shares belong to the book-entry system.

The trading code of the shares is KOJAMO and ISIN code FI4000312251.

holders. The proportion of nominee-registered and direct foreign shareholders was 53.7 per cent of the company's shares at the end of the financial year. The 10 largest shareholders owned in aggregate 55.0 per cent of Kojamo's shares at the end of the financial year.

The list of Kojamo's shareholders is based on information provided by Euroclear Finland Ltd.

The Board of Directors' authorisations

Kojamo's Annual General Meeting on 16 March 2023 authorised the Board of Directors to decide on the repurchase and/or acceptance as pledge of an aggregate maximum of 24,714,439 of the company's own shares according to the proposal of the Board of Directors. The proposed amount of shares corresponds to approximately 10 per cent of all the shares of the company. The authorisation will remain in force until the closing of the next Annual General Meeting, however, no longer than until 30 June 2024.

The Board of Directors was also authorised to decide on the issuance of shares and the issuance of special rights entitling to shares as referred to in Chapter 10, Section 1 of the Companies Act according to the proposal of the Board of Directors. The number of shares to be issued on the basis of the authorisation shall not exceed an aggregate maximum of 24,714,439 shares, which corresponds to approximately 10 per cent of all the shares of the company. The authorisation applies to both the issuance of new shares and the conveyance of own shares held by the company. The authorisation will remain in force until the closing of the next Annual General Meeting, however, no longer than until 30 June 2024.



The Board has not used authorisations.

The Annual General Meeting decided that an addition is made to the Articles of Association to allow the Board of Directors, at their discretion, to arrange a General Meeting as a virtual meeting without a meeting venue, as proposed by the Board of Directors.

The change has been made to the Articles of Association in 2023.

Flagging notifications

Kojamo has not received any flagging notification pursuant to Chapter 9, Section 5 of the Securities Market Act in 2023.

Governance

Annual General Meeting

Kojamo's Annual General Meeting (AGM) of 16 March 2023 adopted the financial statements for the financial year 2022 and discharged the members of the Board of Directors and the CEO from liability. The AGM also decided on dividend payment, the number of members of the Board of Directors, the Board of Director's remuneration and composition and the election and remuneration of the auditor and also decided amendment of the Articles of Association. The AGM approved the Remuneration Report for the members of the Board of Directors, the CEO and the Deputy CEO. The AGM authorised the Board of Directors to resolve on one or more share issues or the issuance of special rights entitling to shares, as referred to in Chapter 10, Section 1 of the Companies Act. The minutes of the AGM are available at <https://kojamo.fi/en/investors/corporate-governance/annual-general-meeting/annual-general-meeting-2023/>.

Board of Directors and auditors

The members of Kojamo's Board of Directors are Mikael Aro (Chairman), Mikko Mursula (Vice-Chairman), Kari Kauniskangas, Anne Koutonen, Andreas Segal, Catharina Stackelberg-Hammarén and Annica Änäs. The company's auditor is KPMG Oy Ab, with Authorised Public Accountant Petri Kettunen as the auditor with principal responsibility.

Board committees

Kojamo's Board of Directors has established two permanent committees, an Audit Committee and a Remuneration Committee. Anne Koutonen (Chairman), Kari Kauniskangas, Mikko Mursula and Annica Änäs serve in the Audit Committee. Mikael Aro (Chairman), Andreas Segal and Catharina Stackelberg-Hammarén serve in the Remuneration Committee.

Nomination Board

A stock exchange release was issued on 13 September 2023 announcing the composition of Kojamo plc's Nomination Board. Kojamo's three largest shareholders nominated the following members to the Shareholders' Nomination Board: Christian Fladeland, CIO, Heimstaden; Jouko Pölönen, CEO,

Managers' transactions and shareholdings

Managers' transactions at Kojamo in 2023 have been published as stock exchange releases and they are available on the Kojamo website at <https://kojamo.fi/en/news-releases/>.

The members of the Board of Directors or corporations over which they exercise control owned a total of 57,783 (55,754) shares and share-based rights in the company or in companies belonging to the same Group as the company. The members of the Management Team or corporations over which they exercise control owned a total of 163,115 (190,033) shares and share-based rights in the company or in companies belonging to the same Group as the company. These shares represent 0.09 (0.10) per cent of the company's entire share capital.

Ilmarinen Mutual Pension Insurance Company; and Risto Murto, CEO, Varma Mutual Pension Insurance Company. In addition, the Chairman of Kojamo's Board of Directors serves as an expert member of the Nomination Board.

The Shareholders' Nomination Board is a body established by the Annual General Meeting consisting of shareholders, with the task of annually preparing and presenting proposals for the General Meeting concerning the number, composition and Chairman of the Board of Directors, remuneration of the Board of Directors and remuneration of the members of the Board Committees.

The proposal of the Nomination Board to the Annual General Meeting were published as a stock exchange release on 18 December 2023.

CEO

Jani Nieminen, M.Sc. (Tech.), MBA was the CEO during the review period. The CEO's deputy was CFO Erik Hjelt, Licentiate in Laws, eMBA.

Management Team

At the end of the review period, the members of the Management Team were Jani Nieminen, CEO; Erik Hjelt, CFO; Ville Raitio, Chief Investment Officer; and Janne Ojalehto, Executive Vice President, Housing.

The company published a stock exchange release on May 31, 2023 announcing that Katri Harra-Salonen, Chief Digital Officer, has resigned and left her position at the end of August.

The company published a stock exchange release on 22 August, 2023 announcing that Tiina Kuusisto will not continue working for Kojamo. Her work obligation ended on August 23, 2023.

Description of corporate governance

The description of Kojamo's administration and the Corporate Governance Statement are publicly available on Kojamo's



website at <https://kojamo.fi/en/investors/releases-and-publications/financial-reports/>.

Personnel

At the end of 2023, Kojamo had a total of 288 (304) employees, of who 271 (270) were on permanent contracts and 17 (34) were on temporary contracts. The average number of personnel during the year was 315 (316). The average length of service was 9.3 (9.3) years. Personnel turnover in 2023 was 10.9 (17.6) per cent. The company hired about 50 summer employees in 2023.

The salaries and fees paid during the financial year totalled EUR 18.8 (17.8) million.

Annual performance bonus and incentive system

Kojamo's employees are included in an annual performance bonus system which is based on the achievement of the company's general targets as well as personal targets.

Kojamo also has a long-term share-based incentive plan for the Group's key personnel. The reward is based on reaching the targets set for Kojamo's key business criteria in relation to the Group's strategic goals. Three performance periods were ongoing at the end of the review period: 2021–2023, 2022–2024 and 2023–2025.

On 15 February 2023, Kojamo's Board of Directors resolved on the long-term incentive plan's performance period of 2023–2025. The possible rewards for the performance period are

based on the Group's revenue (%), Funds From Operations (FFO) per share and apartment-specific CO2 emission reduction target for years 2023–2025, and Loan to Value ratio. The rewards to be paid on the basis of the performance period correspond to the value of a maximum total of 178,000 shares including the proportion to be paid in cash.

If the three ongoing earning periods were accrued in full, the maximum bonus would be a sum corresponding to 385,211 Kojamo shares, of which part of would be paid in Kojamo shares and part of in cash. More information on the long-term incentive plan is provided in Kojamo's Remuneration Report for 2023.

On 15 February 2023, Kojamo's Board of Directors approved to establish a new restricted share programme for the years 2023–2025. The programme will be used in specific situations decided by the Board of Directors separately. The programme consists of individual, annually commencing maximum three-year long restricted share plans within which the participants have the opportunity to receive a fixed number of shares as a long-term incentive and retention award.

2023–2025 commitment period will last until the end of 2025 and the possible reward will be paid during the year following the expiry of the period partially in shares in the company and partially in cash. The maximum gross number of shares to be granted is 50,000 shares.

Responsibility

Responsibility and sustainable development are among Kojamo's strategic focus areas. Sustainability is integral to Kojamo's operations and corporate culture, and it plays an important role in the work of everyone at Kojamo.

Our sustainability programme

Our sustainability programme documents the priorities of our sustainability efforts: sustainable cities, the best customer experience, the most competent personnel and a dynamic place to work, and a responsible corporate citizen. Read more about our sustainability programme from our [2022 Annual Report and Sustainability Report](#).

We have committed to the UN Sustainable Development Goals. We continue to develop transparency of our sustainability reporting, and we currently report according to GRI and EPRA sBPR frameworks. We also participate yearly in GRESB (Global Real Estate Sustainability Benchmark) survey. For 2022, we have also reported information on risks related to climate change according to the TCFD framework.

Sustainable cities

All of our newly constructed properties are situated in growth centres, in locations that are close to good transport connections and services. The goal is for our property portfolio to be carbon-neutral in terms of energy consumption by 2030. We have signed the Net Zero Carbon Buildings Commitment of the World Green Building Council. We will increase the efficiency of our energy consumption by 7.5% by 2025. All Kojamo offices are WWF Green Office certified.

During the fourth quarter, three geothermal projects were completed in the capital region. Towards the end of the year, we focused on the basic maintenance of the properties, when the exceptionally cold weather brought the need for unusual building technical measures in several locations to ensure good indoor conditions.

The best customer experience

We want to deliver the best customer experience in housing. We create safe and comfortable homes that provide our customers with a strong sense of community, sustainable housing and services that make life easier. The operating model Through the Customer's Eyes has become an established



practice for us. Nearly 500 Lumo teams made up of active residents have already been established.

All of Kojamo's properties use carbon-neutral property electricity. In addition, carbon-neutral district heating is used at 155 of our properties. We offer all residents of Lumo homes the opportunity to use shared cars. Furthermore, our objective is to install new charging stations for electric cars based on demand from our residents. Currently we have installed charging stations in more than 1,500 car parks.

We announced towards the end of the year that we have developed the My Lumo service based on the wishes of our residents. The changes were made based on a resident survey and usability testing carried out the previous year, and their aim was to improve client satisfaction and retention, as well as to reduce the number of customer service contacts. The changes make the service more user-friendly and enhance communication between the property manager and residents. In addition, residents with a foreign background have been taken into account better than before.

The most competent personnel and a dynamic place to work

The most important areas for our personnel responsibility are equality and equity for personnel, the health and well-being of personnel, as well as good management and leadership. We ensure our future competitiveness through competence development and offer an employee experience that attracts the

Near-term risks and uncertainties

Kojamo estimates that the most significant near-term risks and uncertainties are caused by the uncertain situation in property and financial markets, interest rate development as well as by geopolitical tensions.

Geopolitical tensions including Russia's war of aggression in Ukraine and the conflict in the Middle East continue to cause economic uncertainty and may affect inflation and interest rates. The uncertainty can have impacts on the housing and property markets, including apartment prices, rents and yield requirements as well as on the operations of the construction companies. In addition, the acts of war may have an impact on the availability and prices of building materials. If inflation does not decrease as predicted, the decrease in interest rates may be postponed. The increased costs could affect Kojamo's result and cash flow as well as the fair value of apartments.

The development of the Finnish economy may affect the housing and financial markets in exceptional ways. These factors may have an impact on Kojamo's profit and cash flow as well as the fair value of apartments. A general downturn may lead to unemployment and reduce household purchasing power, which may affect the ability of residents to pay rent and, subsequently, the company's rental income.

best talent in the industry. We also work continuously to promote our corporate culture and the well-being of our personnel. Our corporate culture is based on Kojamo's shared values: Happy to serve, Strive for success and Courage to change.

During the fourth quarter, we focused on change management and carrying out the organisational change. In connection with the organisational change, we launched new functions such as the service centre.

A responsible corporate citizen

Our Code of Conduct documents the sustainable operating practices we apply in our interactions with our stakeholders, society and the environment. We also require our partners to operate sustainably, and our Supplier Code of Conduct has been an integral part of all of our partnership agreements starting from the beginning of 2021.

We participated in the real estate sector's international GRESB Sustainability Assessment for the fourth time and, according to the results published in October, achieved its best result ever: 78 points out of 100, earning the Green Star designation and three stars out of five. The score improved by 6 points compared to the previous year. Our score exceeded the average result of all the participants in the assessment (75), and we achieved full score for example in sustainability management.

The weakening of the property and financial markets as well as the changes in market interest rates may lower the credit rating, make it more difficult to get financing and increase the price of financing significantly as well as weaken Kojamo's financial key figures. These factors may affect Kojamo's profit and cash flow, as well as the fair value of the apartments.

Urbanisation is expected to continue in the longer term. The supply of rental apartments may increase locally in the main areas in which Kojamo operates, and the changes in supply and demand could have an impact on Kojamo's tenant turnover or the financial occupancy rate and, thereby, rental income.

Cyber attacks and various other data security threats have increased. These data security breaches could impact Kojamo's business operations and the reliability of information systems.

Kojamo's most significant risks are described in more detail in the report on non-financial information.



Proposal by the Board of Directors for the distribution of profits

The parent company Kojamo plc's distributable unrestricted equity on 31 Dec 2023 was EUR 155,723,844.51, of which the profit for the financial year amounted to EUR 1,043,478.44. No significant changes have taken place in the company's financial position since the end of the financial year.

In August, Kojamo plc announced that as a part of the saving programme, the company's Board of Directors will propose to the Annual General Meeting in the spring of 2024 that no dividend be paid for 2023.

Helsinki, 15 February 2024

Kojamo plc
Board of Directors

Further information:

Niina Saarto, Director, Treasury & Investor Relations, Kojamo plc, tel. +358 20 508 3283

Erik Hjelt, CFO, Kojamo plc, tel. +358 20 508 3225

News conference and webcast

Kojamo will hold a news conference for institutional investors, analysts and media on 15 February 2024 at 10.00 a.m. EET at the company's head office at Mannerheimintie 168A, Helsinki. The event will be hosted by Kojamo's CEO Jani Nieminen and CFO Erik Hjelt, and it will be held in English. After the event, the media has a possibility to ask questions also in Finnish.

The event can also be followed as a live webcast through which it is possible to ask questions. No registration for the

webcast in advance is needed. The event will be accessible at <https://kojamo.videosync.fi/q4-2023>.

A recording of the webcast will be available later on the company website at <https://kojamo.fi/en/investors/releases-and-publications/financial-reports/>.



EPRA performance measures

EPRA (European Public Real Estate Association) is an advocacy organisation for publicly listed European property investment companies. Kojamo is a member of EPRA. As part of its activities, the organisation promotes financial reporting in the industry and the adoption of best practices to ensure the qual-

ity of information provided to investors and improve comparability between companies. Kojamo follows EPRA recommendations in its reporting practices. This section covers EPRA performance measures and their calculation. More information on EPRA and EPRA recommendations is available on the EPRA website at www.epra.com.

EPRA performance measures

	10-12/2023	10-12/2022	2023	2022
EPRA Earnings, M€	38.0	41.5	159.9	158.2
EPRA Earnings per share (EPS), €	0.15	0.17	0.65	0.64
EPRA Net Reinstatement Value (NRV), M€			4,558.8	4,825.9
EPRA NRV per share, €			18.45	19.53
EPRA Net Initial Yield (NIY), %			4.0	3.7
EPRA 'topped-up' NIY, %			4.0	3.7
EPRA Vacancy Rate, %			7.1	8.0
EPRA Cost Ratio (including direct vacancy costs), %	14.7	15.9	12.7	12.5
EPRA Cost Ratio (excluding direct vacancy costs), %	11.5	12.3	9.2	8.6

EPRA Earnings

M€	10-12/2023	10-12/2022	2023	2022
Earnings per IFRS income statement	-94.7	-598.8	-89.0	-399.8
(i) Change in value of investment properties, development properties held for investment and other interests	158.7	792.8	295.4	682.0
(ii) Profits or losses on disposal of investment properties, development properties held for investment and other interests	-0.5	-	-0.4	-0.2
(iii) Profits or losses on sales of trading properties including impairment charges in respect of trading properties	-	0.0	-	0.0
(iv) Tax on profits or losses on disposals	-0.4	-	-0.2	0.2
(vi) Changes in fair value of financial instruments	1.3	-0.2	0.9	-6.8
(vi) Early close-out costs/gains of financial instrument and debt	-	-	-7.0	-
(viii) Deferred tax in respect of EPRA adjustments	-26.4	-152.4	-39.8	-117.2
EPRA Earnings	38.0	41.5	159.9	158.2
Average number of shares, million	247.1	247.1	247.1	247.1
EPRA Earnings per share (EPS), €	0.15	0.17	0.65	0.64

EPRA Net Reinstatement Value

M€	2023	2022
IFRS Equity attributable to shareholders	3,625.9	3,842.7
Diluted NAV	3,625.9	3,842.7
Diluted NAV at Fair Value	3,625.9	3,842.7
Exclude:		
(v) Deferred tax in relation to fair value gains	825.4	872.8
(vi) Fair value of financial instruments	-13.1	-52.6
Include:		
(xi) Real estate transfer tax	120.6	163.0
EPRA Net Reinstatement Value (NRV)	4,558.8	4,825.9
Number of shares, million	247.1	247.1
EPRA NRV per share, €	18.45	19.53



EPRA Net Initial Yield (NIY) and EPRA "topped-up" NIY

M€		2023	2022
Investment property		8,038.8	8,150.2
Trading property		-	0.1
Developments		-179.8	-395.2
Completed property portfolio		7,859.0	7,755.1
Allowance for estimated purchasers' costs		117.9	155.1
Gross up completed property portfolio valuation	B	7,976.9	7,910.2
Annualised cash passing rental income		464.2	438.9
Property outgoings		-146.7	-148.9
Annualised net rents	A	317.5	290.0
Notional rent expiration of rent-free periods or other lease incentives		-	-
Topped-up net annualised rent	C	317.5	290.0
EPRA Net Initial Yield (NIY), %	A/B	4.0	3.7
EPRA 'topped-up' NIY, %	C/B	4.0	3.7

EPRA Vacancy Rate

M€		2023	2022
Estimated rental value of vacant space *	A	31.3	33.7
Estimated rental value of the whole portfolio *	B	444.4	419.8
EPRA Vacancy Rate, %	A/B	7.1	8.0

* Including rental value of apartments

EPRA Cost Ratios

M€		10-12/2023	10-12/2022	2023	2022
Include:					
(i) Administrative expense line per IFRS income statement		13.2	13.4	45.6	43.1
(i) Maintenance expense line per IFRS income statement		30.0	26.8	115.7	103.1
(i) Repair expense line per IFRS income statement		8.0	8.6	29.3	30.2
(ii) Net service charge costs/fees		-4.1	-3.8	-15.8	-13.8
(iii) Management fees less actual/estimated profit element		0.0	0.0	-0.2	-0.2
(iv) Other operating income/recharges intended to cover overhead expenses less any related profits		-0.1	-0.1	-0.3	-0.3
Exclude:					
(vii) Ground rent costs		-0.1	-0.1	-0.1	0.0
(viii) Service charge costs recovered through rents but not separately invoiced		-36.1	-33.9	-137.5	-128.3
EPRA Costs (including direct vacancy costs)	A	10.7	11.1	36.7	33.8
(ix) Direct vacancy costs		-2.3	-2.5	-10.2	-10.7
EPRA Costs (excluding direct vacancy costs)	B	8.4	8.6	26.5	23.1
(x) Gross Rental Income less ground rent costs - per IFRS		109.2	103.7	425.7	398.5
(xi) Service fee and service charge costs components of Gross Rental Income		-36.1	-33.9	-137.5	-128.3
Gross Rental Income	C	73.0	69.9	288.1	270.3
EPRA Cost Ratio (including direct vacancy costs), %	A/C	14.7	15.9	12.7	12.5
EPRA Cost Ratio (excluding direct vacancy costs), %	B/C	11.5	12.3	9.2	8.6



Condensed consolidated income statement

M€	Note	10–12/2023	10–12/2022	1–12/2023	1–12/2022
Total revenue		113.5	107.9	442.2	413.3
Maintenance expenses		-30.0	-26.8	-115.7	-103.1
Repair expenses		-8.0	-8.6	-29.3	-30.2
Net rental income		75.5	72.4	297.2	280.1
Administrative expenses		-13.2	-13.4	-45.6	-43.1
Other operating income		1.4	1.6	4.0	3.8
Other operating expenses		-0.2	0.0	-0.3	-0.3
Profit/loss on sales of investment properties		0.3	-	0.2	0.2
Profit/loss on fair value of investment properties	3	-158.7	-792.8	-295.4	-682.0
Depreciation, amortisation and impairment losses		-0.3	-0.3	-1.3	-1.2
Operating profit/loss		-95.2	-732.6	-41.1	-442.5
Financial income		0.4	1.3	13.5	9.6
Financial expenses		-24.9	-17.2	-84.8	-67.0
Total amount of financial income and expenses		-24.4	-15.9	-71.3	-57.4
Share of result from associated companies		0.1	0.1	0.1	0.1
Profit/loss before taxes		-119.5	-748.3	-112.3	-499.8
Current tax expense		-1.6	-2.8	-16.5	-17.3
Change in deferred taxes		26.4	152.4	39.8	117.2
Profit/loss for the period		-94.7	-598.8	-89.0	-399.8
Profit/loss for the financial period attributable to shareholders of the parent company		-94.7	-598.8	-89.0	-399.8
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss					
Cash flow hedges		-39.1	3.5	-39.8	92.4
Deferred taxes		7.8	-0.7	8.0	-18.5
Items that may be reclassified subsequently to profit or loss		-31.3	2.8	-31.8	74.0
Total comprehensive income for the period		-126.0	-596.0	-120.8	-325.8
Total comprehensive income attributable to shareholders of the parent company		-126.0	-596.0	-120.8	-325.8
Earnings per share based on profit attributable to shareholders of the parent company					
Basic, €		-0.38	-2.42	-0.36	-1.62
Diluted, €		-0.38	-2.42	-0.36	-1.62
Average number of shares, million	8	247.1	247.1	247.1	247.1



Condensed consolidated balance sheet

M€	Note	31 Dec 2023	31 Dec 2022
Assets			
Non-current assets			
Intangible assets		0.6	0.7
Investment properties	3	8,038.8	8,150.2
Property, plant and equipment	4	28.0	28.4
Investments in associated companies		2.0	1.5
Financial assets	7	0.8	0.7
Non-current receivables		6.5	6.7
Derivatives	6, 7	29.8	53.8
Deferred tax assets		4.9	1.5
Total non-current assets		8,111.4	8,243.4
Current assets			
Trading property		-	0.1
Derivatives	6, 7	0.6	0.2
Current tax assets		11.1	4.0
Trade and other receivables		17.0	11.1
Financial assets	7	3.3	104.0
Cash and cash equivalents		15.0	119.4
Total current assets		46.9	238.9
Total assets		8,158.3	8,482.3
Shareholders' equity and liabilities			
Equity attributable to shareholders of the parent company			
Share capital		58.0	58.0
Share issue premium		35.8	35.8
Fair value reserve		11.2	43.0
Invested non-restricted equity reserve		164.4	164.4
Retained earnings		3,356.4	3,541.4
Equity attributable to shareholders of the parent company		3,625.9	3,842.7
Total equity		3,625.9	3,842.7
Liabilities			
Non-current liabilities			
Loans and borrowings	5, 7	3,007.2	3,330.5
Deferred tax liabilities		829.3	873.7
Derivatives	6, 7	17.3	1.4
Provisions		0.1	0.3
Other non-current liabilities		4.9	5.0
Total non-current liabilities		3,858.9	4,210.9
Current liabilities			
Loans and borrowings	5, 7	593.2	347.7
Current tax liabilities		4.9	2.5
Trade and other payables		75.4	78.5
Total current liabilities		673.5	428.7
Total liabilities		4,532.4	4,639.6
Total equity and liabilities		8,158.3	8,482.3



Consolidated statement of cash flows

M€	1–12/2023	1–12/2022
Cash flow from operating activities		
Profit for the period	-89.0	-399.8
Adjustments	345.0	639.4
Change in net working capital		
Change in trade and other receivables	-0.5	-1.6
Change in trade and other payables	-0.6	-2.2
Interest paid	-79.4	-58.4
Interest received	2.3	1.1
Other financial items	-3.4	-0.4
Taxes paid	-21.2	-19.0
Net cash flow from operating activities	153.3	159.0
Cash flow from investing activities		
Acquisition of investment properties	-201.3	-504.9
Acquisition of associated companies	-0.6	-0.1
Acquisition of property, plant and equipment and intangible assets	-0.3	-0.3
Proceeds from sale of investment properties	5.1	1.1
Proceeds from sale of associated companies	0.3	-
Purchases of financial assets	-55.0	-140.9
Proceeds from sale of financial assets	157.1	164.4
Non-current loans, granted	0.0	-0.1
Repayments of non-current loan receivables	0.2	0.2
Interest and dividends received on investments	0.9	0.4
Net cash flow from investing activities	-93.6	-480.2
Cash flow from financing activities		
Non-current loans and borrowings, raised	500.0	450.0
Non-current loans and borrowings, repayments	-574.5	-91.6
Current loans and borrowings, raised	135.8	205.8
Current loans and borrowings, repayments	-127.2	-225.2
Repayments of lease liabilities	-1.8	-1.6
Dividends paid	-96.4	-93.9
Net cash flow from financing activities	-164.1	243.5
Change in cash and cash equivalents	-104.4	-77.6
Cash and cash equivalents at the beginning of the period	119.4	197.0
Cash and cash equivalents at the end of the period	15.0	119.4



Condensed consolidated statement of changes in equity

M€	Share capital	Share issue premium	Fair value reserve	Invested non-restricted equity reserve	Retained earnings	Equity attributable to shareholders of the parent company	Total equity
Equity at 1 Jan 2023	58.0	35.8	43.0	164.4	3,541.4	3,842.7	3,842.7
Comprehensive income							
Cash flow hedging			-31.8			-31.8	-31.8
Profit for the period					-89.0	-89.0	-89.0
Total comprehensive income for the period			-31.8		-89.0	-120.8	-120.8
Transactions with shareholders							
Share-based incentive scheme					0.4	0.4	0.4
Dividend payment					-96.4	-96.4	-96.4
Total transactions with shareholders					-96.0	-96.0	-96.0
Total change in equity			-31.8		-185.0	-216.8	-216.8
Equity at 31 Dec 2023	58.0	35.8	11.2	164.4	3,356.4	3,625.9	3,625.9

M€	Share capital	Share issue premium	Fair value reserve	Invested non-restricted equity reserve	Retained earnings	Equity attributable to shareholders of the parent company	Total equity
Equity at 1 Jan 2022	58.0	35.8	-31.0	164.4	4,036.0	4,263.3	4,263.3
Comprehensive income							
Cash flow hedging			74.0			74.0	74.0
Profit for the period					-399.8	-399.8	-399.8
Total comprehensive income for the period			74.0		-399.8	-325.8	-325.8
Transactions with shareholders							
Share-based incentive scheme					-0.9	-0.9	-0.9
Dividend payment					-93.9	-93.9	-93.9
Total transactions with shareholders					-94.8	-94.8	-94.8
Total change in equity			74.0		-494.6	-420.6	-420.6
Equity at 31 Dec 2022	58.0	35.8	43.0	164.4	3,541.4	3,842.7	3,842.7



Condensed notes to the consolidated financial statements

Basic information about the Group

Kojamo plc is Finland's largest market-based, private housing investment company that offers rental apartments and housing services in Finnish growth centres. Its range of apartments is extensive. On 31 December 2023, Kojamo owned 40,619 rental apartments across Finland.

The Group's parent company, Kojamo plc, is a Finnish public company domiciled in Helsinki. Its registered address is Mannerheimintie 168, 00300 Helsinki, Finland. A copy of the consolidated financial statements is available at www.kojamo.fi/en/ or the parent company's head office.

Trading in Kojamo's shares commenced on the pre-list of Nasdaq Helsinki on 15 June 2018 and on the official list of Nasdaq Helsinki on 19 June 2018. In addition, a bond issued

by Kojamo in 2016 is listed on the official list of Nasdaq Helsinki Ltd. The Group's four other bonds are listed on the official list of the Irish Stock Exchange. The Group has chosen Finland as its home state for the disclosure of periodic information pursuant to Chapter 7, Section 3 of the Finnish Securities Market Act.

Kojamo plc's Board of Directors approved this Financial Statement Release for publication at its meeting on 15 February 2024. Kojamo's Financial Statements and the Report of the Board of Directors as well as Corporate Governance Statement and Remuneration Report 2023 will be published as a stock exchange release on 15 February 2024, since when the documents are available at Kojamo's website at www.kojamo.fi/en/.

1. Accounting policies

Basis for preparation

This financial statements were prepared in accordance with IAS 34 Interim Financial Reporting as well as by applying the same accounting policies as in the previous annual financial statements, excluding the exceptions described below. The figures of the financial statements release have not been audited.

The figures for 2023 are based on Kojamo plc's audited financial statements for 2023. The figures in brackets refer to the corresponding period in 2022, and the comparison period is the corresponding period the year before, unless otherwise stated.

The preparation of the financial statements release in accordance with IFRS requires application of judgement by Kojamo's management to make estimates and assumptions that affect

the reported amounts of assets and liabilities on the balance sheet date and the reported amounts of income and expenses for the period. Management must also make judgements when applying the Group's accounting policies. Actual results may differ from the estimates and assumptions used. The most significant items of this financial statements where judgement has been applied by management, as well as the assumptions about the future and other key uncertainty factors in estimates at the end of the reporting period that create a significant risk of change in the carrying amounts of Kojamo's assets and liabilities within the next financial year, are the same as those presented in the consolidated financial statements for the 2023 financial year. Of these, the most important are the determination of the fair values of investment properties and financial instruments.

2. Specification of revenue

M€	1–12/2023	1–12/2022
Revenue from contracts with customers	441.7	412.5
Other income from revenue	0.5	0.8
Total revenue	442.2	413.3

Specification of revenue from contracts with customers

M€	1–12/2023	1–12/2022
Rental income	425.7	398.5
Water fees	15.0	13.2
Sauna fees	0.8	0.6
Other income from service sales	0.2	0.2
Total	441.7	412.5

Revenue consists primarily of rental income based on tenancy agreements. In the Group's business, the scope of IFRS 15 includes maintenance and service revenue, which include use-based charges collected from tenants.



3. Investment properties

M€	31 Dec 2023	31 Dec 2022
Fair value of investment properties on 1 Jan	8,150.2	8,327.5
Acquisition of investment properties	165.1	478.9
Modernisation investments	26.7	22.5
Disposals of investment properties	-12.0	-1.3
Capitalised borrowing costs	4.2	4.6
Profit/loss on fair value of investment properties	-295.4	-682.0
Fair value of investment properties at the end of the period	8,038.8	8,150.2

Profit/loss on fair value of investment properties

M€	1-12/2023	1-12/2022
Changes in yield requirement	-815.5	-670.9
Change in net rental income	305.9	-119.7
Changes in inflation, rents and expense growth assumptions	181.7	2.1
Other	32.5	106.6
Profit/loss on fair value of investment properties	-295.4	-682.0

Right-of-use assets included in the fair values of investment properties (plots of land)

M€	31 Dec 2023	31 Dec 2022
Fair value on 1 Jan	73.8	70.6
Increases/decreases	5.2	4.3
Profit/loss on fair value of investment properties	-1.3	-1.1
Fair value at the end of the period	77.8	73.8

Modernisation investments are often significant and they are primarily related to repairs and renovations of plumbing, facades, roofs, windows and balconies. The expected average technical useful lives of the plumbing systems, facades, roofs and balconies of residential properties are taken into consideration in the planning of modernisation investments.

Capitalised borrowing costs totalled EUR 4.2 (4.6) million. The interest rate applied to capitalised borrowing costs was 2.5 (1.8) per cent.

Kojamo acquired a total of 0 (985) rental apartments.

Fair value of investment properties by valuation method

M€	31 Dec 2023	31 Dec 2022
Yield value *	7,656.3	7,535.3
Acquisition cost	304.7	541.0
Right-of-use assets (plots of land)	77.8	73.8
Total	8,038.8	8,150.2

Number of apartments	31 Dec 2023	31 Dec 2022
Yield value	39,390	37,551
Acquisition cost ^{1) 2)}	1,229	1,680
Total	40,619	39,231

¹⁾ Includes 4 apartments as part of development projects

²⁾ There will be an uplift in the fair value of EUR 65-85 million from 881 apartments coming out of restriction by the



Average valuation parameters for yield-based valued items

	31 Dec 2023		Group total
	Capital region	Other regions of Finland	
Unobservable inputs:			
Yield requirement cash flow, weighted, % *	4.11	5.00	4.40
Exit capitalisation rate, weighted, % *	4.26	5.15	4.55
Cash flow discount rate, weighted, % *	6.11	7.00	6.40
Inflation assumption, %	2.0	2.0	2.0
Market rents, weighted by square metres, €/m ² /month	20.55	16.13	18.54
Property maintenance expenses, repairs and modernisation investments €/m ² /month	6.67	6.41	6.56
10-year average financial occupancy rate, %	97.5	96.6	97.2
Rent increase assumption, %	2.7	2.4	2.6
Expense increase assumption, %	2.5	2.5	2.5

* Yield requirement for net rental income

	31 Dec 2022		Group total
	Capital region	Other regions of Finland	
Unobservable inputs:			
Yield requirement cash flow, weighted, % *	3.56	4.92	3.97
Exit capitalisation rate, weighted, % *	3.71	5.07	4.12
Cash flow discount rate, weighted, % *	5.36	6.72	5.77
Inflation assumption, %	1.8	1.8	1.8
Market rents, weighted by square metres, €/m ² /month	20.08	15.53	17.97
Property maintenance expenses, repairs and modernisation investments €/m ² /month	6.77	6.52	6.65
10-year average financial occupancy rate, %	97.5	96.6	97.2
Rent increase assumption, %	2.3	2.0	2.2
Expense increase assumption, %	2.3	2.3	2.3

* Yield requirement for net rental income



Sensitivity analysis for measuring the fair value of investment properties

Properties measured at yield value	31 Dec 2023				
	-10%	-5%	0%	5%	10%
Change % (relative)					
Change, M€					
Yield requirement	860.3	407.3		-368.2	-702.7
Market rents	-944.8	-472.4		472.4	944.8
Maintenance costs	310.0	155.0		-155.0	-310.0
Change % (absolute)	-2%	-1%	0%	1%	2%
Change, M€					
Financial occupancy rate	-194.4	-97.2		97.2	194.4

Properties measured at yield value	31 Dec 2022				
	-10%	-5%	0%	5%	10%
Change % (relative)					
Change, M€					
Yield requirement	840.1	397.8		-359.6	-686.3
Market rents	-961.0	-480.5		480.5	961.0
Maintenance costs	329.7	164.8		-164.8	-329.7
Change % (absolute)	-2%	-1%	0%	1%	2%
Change, M€					
Financial occupancy rate	-197.7	-98.8		98.8	197.7

Fair value measurement of investment property

Kojamo's fair value of investment properties is based on IFRS 13 *Fair Value Measurement* -standard and IAS 40 *Investment Property* -standard. The valuation is carried out on quarterly basis and are reviewed by external independent valuation expert. The results of the assessment are reported to the Management Group, Audit Committee and Board of Directors. The measurement process, market conditions and other factors affecting the assessment of the fair value of properties are reviewed quarterly with the CEO and CFO in accordance with Kojamo's reporting schedule. Each quarter, an external independent expert issues a statement on the valuation methods applied in the valuation of rental apartments and business premises owned by Kojamo as well as on the quality and reliability of the valuation. A statement on the situation as at 31.12.2023 is available on Kojamo's website.

According to IFRS 13 *Fair value Measurement* -standard is the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date. However, determining the fair values of investment properties requires significant management estimates and assumptions especially when the level of transaction activity is significantly decreased. Estimates and assumptions are especially related to the yield requirements, occupancy rate and market rent levels. Kojamo strives to use as much relevant observable input data as possible and as little non-observable input data as possible.

The yield requirements are analysed quarterly in connection with the valuation. The yield requirements and other input data used are based on market observations and the best information available under current conditions. The information includes the opinion of an external independent expert as well as Kojamo's own information.

Fair value is the price that would be received from the sale of an asset or paid for the transfer of a liability between market parties in a normal transaction on the valuation date.

During the year, the number of transactions observed from the market is limited and the comparability of the transactions is weak. In addition, the transaction prices partly indicate that the sales have been highly motivated. The price indications of buyers appearing in the market are very opportunistic and therefore do not represent genuine price formation.

When deciding on the yield requirements used in the valuation in an environment where transaction data is limited, the company's management has taken into account the views of an external expert, the deals completed in the market, discussions with various market participants, interest rates and interest rate views, as well as the company's own information about the market and its real estate portfolio. The yield requirements have also been evaluated in relation to other valuation parameters and the 10-year calculation period. Most relevant other valuation parameters are inflation assumption, rent increase assumption and expense increase assumption, which the company's management has estimated based on the current market views.

Kojamo uses valuation techniques that are appropriate under those circumstances, and for which sufficient data is available to measure fair value.

Investment properties

Investment property refers to an asset (land, building or part of a building) that Kojamo retains to earn rental income or capital appreciation, or both. An investment property can be owned directly or through an entity. Properties used for administrative purposes are owner-occupied property and included in the bal-



ance sheet line item “Property, plant and equipment”. An investment property generates cash flows largely independently of the other assets held by an entity. This distinguishes investment property from owner-occupied property.

Kojamo’s investment property portfolio consists of the completed properties, properties under construction and renovation, leased plots (right-of-use assets) and the plot reserve. Properties classified as trading properties as well as properties classified as held for sale are included in the Group’s property portfolio but excluded from the balance sheet item “Investment properties”. A property is reclassified from “Investment properties” under “Trading properties” in the event of a change in the use of the property, and under “Investment property held for sale”, when the sale of an investment property is deemed highly probable.

An investment property is derecognised from the balance sheet on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Capital gains and losses on disposals are presented netted as a separate line item in the comprehensive income statement.

Restrictions on investment properties

Some of the investment properties are subject to legislative divestment and usage restrictions. The so-called non-profit restrictions apply to the owning company, and the so-called property-specific restrictions apply to the investment owned. The non-profit restrictions include, among other things, permanent restrictions on the company’s operations, distribution of profit, lending and provision of collateral, and the divestment of investments. The property-specific restrictions include fixed-term restrictions on the use of apartments, the selection of residents, the determination of rent and the divestment of apartments.

Measurement of investment property

Investment property is measured initially at acquisition cost, including related transaction costs, such as transfer taxes and professional fees, as well as capitalised expenditure arising from eligible modernisation. The acquisition cost also includes related borrowing costs, such as interest costs and arrangement fees, directly attributable to the acquisition or construction of an investment property. The capitalisation of borrowing costs is based on the fact that an investment property is a qualifying asset, i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. The capitalisation commences when the construction of a new building or extension begins and continues until such time as the asset is substantially ready for its intended use or sale. Capitalisable borrowing costs are either directly attributable costs accrued on the funds borrowed for a construction project or costs attributable to a construction project.

After initial recognition, investment property is measured at fair value and the changes in fair value are recognised through profit or loss in the period in which they are observed. Fair value gains and losses are presented netted as a separate line item in the comprehensive income statement. Fair value refers to the price that would be received from selling an asset, or paid for transferring a liability, in an ordinary transaction between market participants on the measurement date. The valuation techniques used by Kojamo are described below.

Fair value of investment properties by valuation method

Inputs used in determining fair values (used in the valuation techniques) are classified on three levels in the fair value hierarchy. The fair value hierarchy is based on the source of inputs.

Level 1 inputs

Quoted prices (unadjusted) in active markets for identical investment property.

Level 2 inputs

Inputs other than quoted prices included within Level 1 that are observable for the investment property, either directly or indirectly.

Level 3 inputs

Unobservable inputs for investment property.

An investment property measured at fair value is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The fair value measurement for all of the investment property of Kojamo has been categorised as a Level 3 fair value, as observable market information for the determination of fair values has not been available.

Fair value of investment properties by valuation method

The fair values of investment properties measured by Kojamo are based on transaction value or balance sheet value (acquisition cost).

Income value (yield value)

The measurement of value is based on 10-year discounted cash flow (DCF), in which the terminal value of the property is calculated based on direct capitalisation and net yield in year 11. The discount rate is the 10-year cash flow yield requirement plus inflation.

On completion, newly developed properties are moved from balance sheet value measurement to yield value measurement in the quarter they are completed in. The development margin, if any, is recognised as income in connection with this transition.

Completed properties acquired by the Group are measured in their first quarter using the acquisition cost and subsequently using the yield value method.

The yield value method is used to measure the value of properties that are not subject to restrictions.

The yield value method is also used to measure the value of properties that can be sold as entire properties but not apartment by apartment due to restrictions stipulated by the legislation concerning state-subsidised rental housing. The disposal of such properties is only possible when the entire property is



sold, and it must be sold to a party that will continue to use the property for the provision of rental housing until the restrictions expire. The rents for such properties can be set freely. The yield value method is used to measure the value of properties that belong to the following restriction groups: free of restrictions, subject to extension restrictions, 20-year interest subsidy, 10-year interest subsidy.

The yield requirements are analysed on a quarterly basis in connection with valuation. The determination of the yield requirement is based on the size of the municipality. In larger cities, several area-specific yield requirements are determined while, in smaller cities, the yield requirement is set at the municipal level. The yield requirement for terraced houses is increased by 20 basis points. Properties with a particularly large proportion of premises that are not in residential use (in excess of 40% of the total floor area) are analysed separately.

The change in yield requirement based on the age of the property is as follows: more than 15 years from completion or renovation +12.5%, more than 30 years from completion or renovation +22.5%.

Provision for modernisation investments:

Age of the property or the number of years since the completion of the most recent renovation	Provision (€/m²/month)
0-10 years	0.25
11-30 years	1.00
31-40 years	1.50
>40 years	2.00

Provisions for modernisation investments are used in 10-year discounted cash flow calculations.

Acquisition cost (balance sheet value)

The balance sheet value is used for the measurement of residential and commercial properties whose disposal price is restricted under the legislation governing state-subsidised rental properties, meaning that their disposal price cannot be deter-

mined freely. In addition, the setting of rents for such properties is, as a rule, based on the cost principle, which means that the rent levels cannot be determined freely.

The balance sheet value method is used to measure the value of properties that belong to the following restriction groups: ARAVA (state-subsidised rental properties), and 40-year interest subsidy.

The fair value of property development projects, the plot reserve and shares and holdings related to investment properties is their original acquisition cost.

Business combinations and asset acquisition

Acquisitions of investment properties by Kojamo are accounted for as an acquisition of asset or a group of assets, or a business combination within the scope of IFRS 3 *Business Combinations*. Reference is made to IFRS 3 to determine whether a transaction is a business combination. This requires the management's judgment.

IFRS 3 is applied to the acquisition of investment property when the acquisition is considered to constitute an entity that is treated as a business. Usually, a single property and its rental agreement does not constitute a business entity. To constitute a business entity, the acquisition of the property should include acquired operations and people carrying out these operations, such as marketing of properties, management of tenancies and property repairs and renovation.

The consideration transferred in the business combination and the detailed assets and accepted liabilities of the acquired entity are measured at fair value on the acquisition date. Goodwill is recognised at the amount of consideration transferred, interest of non-controlling shareholders in the acquiree and previously held interest in the acquiree deducted by Kojamo's share of the fair value of the acquired net assets. Goodwill is not amortised, but it is tested for impairment at least annually.

Acquisitions that do not meet the definition of business in accordance with IFRS 3 are accounted for as asset acquisitions. In this event, goodwill or deferred taxes etc. are not recognised.

4. Property, plant and equipment

M€	31 Dec 2023	31 Dec 2022
Carrying value, beginning of period	28.4	28.8
Increases	0.7	0.6
Depreciation for the period	-1.0	-1.0
Carrying value, end of period	28.0	28.4

Property, plant and equipment consist of assets held and used by the company, mainly buildings and land areas, as well as

machinery and equipment. The right-of-use asset item includes car leasing agreements in accordance with IFRS 16 Leases.



Right-of-use assets included in property, plant and equipment

M€	31 Dec 2023	31 Dec 2022
Carrying value, beginning of period	0.8	0.9
Increases/decreases	0.5	0.3
Depreciation for the period	-0.5	-0.4
Carrying value, end of period	0.8	0.8

5. Interest-bearing liabilities

M€	31 Dec 2023	31 Dec 2022
Non-current liabilities		
Bonds	1,558.7	2,139.2
Loans from financial institutions	1,353.3	1,092.7
Interest subsidy loans	18.8	26.2
Lease liability	76.4	72.4
Non-current liabilities total	3,007.2	3,330.5
Current liabilities		
Bonds	434.5	199.8
Loans from financial institutions	110.6	108.4
Interest subsidy loans	0.2	0.3
Commercial papers	39.7	30.9
Other loans	6.0	6.2
Lease liability	2.2	2.1
Current liabilities total	593.2	347.7
Total interest-bearing liabilities	3,600.4	3,678.2

6. Derivative instruments

Fair values of derivative instruments

M€	31 Dec 2023			31 Dec 2022
	Positive	Negative	Net	Net
Interest rate derivatives				
Interest rate swaps, cash flow hedging	30.1	-16.2	13.8	52.4
Interest rate swaps, not in hedge accounting	0.4	-1.1	-0.7	0.2
Total	30.4	-17.3	13.1	52.5

Nominal values of derivative instruments

M€	31 Dec 2023	31 Dec 2022
Interest rate derivatives		
Interest rate swaps, cash flow hedging	1,141.0	746.9
Interest rate swaps, not in hedge accounting	40.0	40.6
Total	1,180.9	787.5

During the financial year, EUR -39.8 (92.4) million was recognised in the fair value reserve from interest rate derivatives classified as cash flow hedges. The interest rate derivatives

mature between 2024 and 2035. At the end of the review period, the average maturity of interest rate swaps was 3.7 (4.0) years.



7. Financial assets and liabilities by valuation category

M€	31 Dec 2023				Fair value total
	Carrying value total	LEVEL 1	LEVEL 2	LEVEL 3	
Financial assets					
Measured at fair value					
Interest rate derivatives	30.4		30.4		30.4
Financial assets recognised at fair value through profit or loss					
Measured at amortised cost	4.1	3.3		0.8	4.1
Cash and cash equivalents					
Trade receivables	15.0		15.0		15.0
Trade receivables					
	7.5				7.5
Financial liabilities					
Measured at fair value					
Interest rate derivatives	17.3		17.3		17.3
Measured at amortised cost					
Other interest-bearing liabilities	1,607.3		1,604.7		1,604.7
Bonds	1,993.2	1,831.5			1,831.5
Trade payables	1.8				1.8

M€	31 Dec 2022				Fair value total
	Carrying value total	LEVEL 1	LEVEL 2	LEVEL 3	
Financial assets					
Measured at fair value					
Interest rate derivatives	54.0		54.0		54.0
Financial assets recognised at fair value through profit or loss					
Measured at amortised cost	104.7	84.1	19.9	0.7	104.7
Cash and cash equivalents					
Trade receivables	119.4		119.4		119.4
Trade receivables					
	6.4				6.4
Financial liabilities					
Measured at fair value					
Interest rate derivatives	1.4		1.4		1.4
Measured at amortised cost					
Other interest-bearing liabilities	1,339.3		1,225.1		1,225.1
Bonds	2,338.9	2,073.2			2,073.2
Trade payables	21.6				21.6

There were no transfers between the hierarchy levels in 2023. The fair value of floating rate loans is the same as their nominal value, as the margins of the loans correspond to the margins of new loans. The fair values of bonds are based on market price quotations. The fair value of other fixed-rate liabilities is based on discounted cash flows, in which market interest rates are used as input data.

If there is no active market for the financial instrument, judgment is required to determine fair value and impairment. External mark to market valuations may be used for some interest rate derivatives. Recognition of impairment is considered if the impairment is significant or long-lasting. If the amount of impairment loss decreases during a subsequent financial year and the decrease can be considered to be related to an event

occurring after the recognition of impairment, the impairment loss will be reversed.

Financial assets and liabilities measured at fair value are classified into three fair value hierarchy levels in accordance with the reliability of the valuation technique:

Level 1:

The fair value is based on quoted prices for identical instruments in active markets.

Level 2:

A quoted market price exists in active markets for the instrument, but the price may be derived from directly or indirectly



quoted market data. Fair values are measured using valuation techniques. Their inputs are based on quoted market prices, including e.g. market interest rates, credit margins and yield curves.

Level 3:

There is no active market for the instrument, the fair value cannot be reliably derived and input data used for the determination of fair value is not based on observable market data.

Level 3 reconciliation

Financial assets recognised at fair value through profit or loss

M€	31 Dec 2023	31 Dec 2022
Beginning of period	0.7	0.7
Change	0.1	0.0
End of period	0.8	0.7

Investments measured at fair value through profit or loss on hierarchy level 3 are investments in unlisted securities and they are mainly measured at acquisition cost, as their fair value

cannot be reliably measured in the absence of an active market. For these items, the acquisition cost is evaluated to be an appropriate estimate of fair value.

8. Earnings per share

	1–12/2023	1–12/2022
Profit for the period attributable to shareholders of the parent company, M€	-89.0	-399.8
Weighted average number of shares during the period (million)	247.1	247.1
Earnings per share		
Basic, €	-0.36	-1.62
Diluted, €	-0.36	-1.62

The company has no diluting instruments.

9. Guarantees and commitments

M€	31 Dec 2023	31 Dec 2022
Loans covered by pledges on property and shares as collateral	839.3	780.7
Pledges given	1,691.6	922.2
Shares ¹⁾	293.2	102.1
Pledged collateral, total	1,984.9	1,024.3
Other collaterals given		
Mortgages and shares	8.1	8.1
Guarantees ²⁾	723.5	756.4
Other collateral, total	731.6	764.5

¹⁾ Pledged mortgages and shares relate in some cases to the same properties. The collateral for the syndicated loan made in October 2023 was given at the time of signing, but the loan had not been withdrawn at the end of the financial year.

²⁾ Guarantees given mainly relate to parent company guarantees given on behalf of Group companies' loans and some of these loans have also mortgages or shares as collaterals



10. Non-current assets held for sale

Kojamo had no non-current assets held for sale in 2023 and 2022.

11. Events after the review period

In January 2024, Kojamo plc announced as a stock exchange release that Kojamo plc issued EUR 200 million unsecured green notes as a private placement. The new notes were issued under the company's EMTN programme as an increase

to the company's notes maturing on 28 May 2029. The proceeds of the issue will be used for the refinancing of projects in accordance with the company's Green Finance Framework.



Key figures, the formulas used in their calculation, and reconciliation calculations in accordance with ESMA guidelines

	Formula	10–12/2023	10–12/2022	2023	2022
Total revenue, M€		113.5	107.9	442.2	413.3
Net rental income, M€	1	75.5	72.4	297.2	280.1
Net rental income margin, %	2	66.5	67.1	67.2	67.8
Profit/loss before taxes, M€	3	-119.5	-748.3	-112.3	-499.8
EBITDA, M€	4	-94.8	-732.3	-39.9	-441.3
EBITDA margin, %	5	-83.5	-678.7	-9.0	-106.8
Adjusted EBITDA, M€	6	63.3	60.6	255.1	240.4
Adjusted EBITDA margin, %	7	55.8	56.2	57.7	58.2
Funds From Operations (FFO), M€	8	38.3	40.7	167.2	160.7
FFO margin, %	9	33.7	37.8	37.8	38.9
Funds From Operations (FFO) per share, €	10	0.15	0.16	0.68	0.65
FFO excluding non-recurring costs, M€	11	38.3	40.7	167.2	160.7
Adjusted Funds From Operations (AFFO), M€	12	32.2	30.9	140.5	138.2
Investment properties, M€				8,038.8	8,150.2
Financial occupancy rate, %	24			93.0	92.0
Interest-bearing liabilities, M€	13			3,600.4	3,678.2
Return on equity, % (ROE)	14			-2.4	-9.9
Return on investment, % (ROI)	15			-0.4	-5.7
Equity ratio, %	16			44.5	45.3
Loan to Value (LTV), %	17			44.6	43.7
Unencumbered asset ratio, %	18			74.7	87.1
Coverage ratio	19			3.6	3.8
Solvency ratio	20			0.44	0.42
Secured solvency ratio	21			0.10	0.09
Earnings per share, €		-0.38	-2.42	-0.36	-1.62
Dividend/share, € ¹⁾				-	0.39
Effective dividend yield, %	22			-	2.8
Equity per share, €				14.67	15.55
Gross investments, M€	23	29.5	85.1	190.7	501.6
Number of personnel, end of the accounting period				288	304

¹⁾ 2023: The Board of Directors proposes to the Annual General Meeting that no dividend be paid for 2023

Alternative Performance Measures

Kojamo presents Alternative Performance Measures to illustrate the financial development of its business operations and improve comparability between reporting periods. The Alternative Performance Measures, i.e. performance measures that

are not based on financial reporting standards, provide significant additional information for the management, investors, analysts and other parties. The Alternative Performance Measures should not be considered substitutes for IFRS performance measures.



Formulas used in the calculation of the key figures

Alternative Performance Measures specified in accordance with ESMA Guidelines

- 1) Net rental income = Total revenue - Maintenance expenses - Repair expenses

Net rental income measures the profitability of the Group's rental business after the deduction of maintenance and repair costs.
- 2) Net rental income margin, % = $\frac{\text{Net rental income}}{\text{Total revenue}} \times 100$

This figure reflects the ratio between net rental income and total revenue.
- 3) Profit/loss before taxes = Net rental income - Administrative expenses + Other operating income - Other operating expenses +/- Profit/loss on sales of investment properties +/- Profit/loss on sales of trading properties +/- Profit/loss on fair value of investment properties - Depreciation, amortisation and impairment losses +/- Financial income and expenses +/- Share of result from associated companies

Profit/loss before taxes measures profitability after operative costs and financial expenses.
- 4) EBITDA = Profit/loss for the period + Depreciation, amortisation and impairment losses -/+ Financial income and expenses -/+ Share of result from associated companies + Current tax expense + Change in deferred taxes

EBITDA measures operative profitability before financial expenses, taxes and depreciation.
- 5) EBITDA margin, % = $\frac{\text{EBITDA}}{\text{Total revenue}} \times 100$

EBITDA margin discloses EBITDA in relation to net sales.
- 6) Adjusted EBITDA = Profit for the period + Depreciation, amortisation and impairment losses -/+ Profit/loss on sales of investment properties -/+ Profit/loss on sales of trading properties -/+ Profit/loss on sales of other non-current assets -/+ Profit/loss on fair value of investment properties profit for the period -/+ Financial income and expenses -/+ Share of result from associated companies + Current tax expense + Change in deferred taxes

Adjusted EBITDA measures the profitability of the Group's underlying rental operations excluding gains/losses on sale of properties and unrealised value changes of investment properties.
- 7) Adjusted EBITDA margin, % = $\frac{\text{Adjusted EBITDA}}{\text{Total revenue}} \times 100$

Adjusted EBITDA margin discloses adjusted EBITDA in relation to total revenue.
- 8) Funds From Operations (FFO) = Adjusted EBITDA - Adjusted net interest charges - Current tax expense +/- Current taxes from disposals

FFO measures cash flow before change in net working capital. The calculation of this APM takes into account financial expenses and current taxes but excludes items not directly connected to rental operations, such as unrealised value changes.
- 9) FFO margin, % = $\frac{\text{FFO}}{\text{Total revenue}} \times 100$



FFO margin discloses FFO in relation to total revenue.

$$10) \text{ FFO per share} = \frac{\text{FFO}}{\text{Weighted average number of shares outstanding during the financial period}}$$

FFO per share illustrates FFO for an individual share.

$$11) \text{ FFO excluding non-recurring costs} = \text{FFO} + \text{non-recurring costs}$$

FFO measures cash flow before change in net working capital. The calculation of this APM takes into account financial expenses and current taxes but excludes items not directly connected to rental operations, such as unrealised value changes and non-recurring costs.

$$12) \text{ Adjusted FFO (AFFO)} = \text{FFO} - \text{Modernisation investments}$$

AFFO measures cash flow before change in net working capital, adjusted for modernisation investments. The calculation of this APM takes into account modernisation investments, financial expenses and current taxes but excludes items not directly connected to rental operations, such as unrealised value changes.

$$13) \text{ Interest-bearing liabilities} = \text{Non-current loans and borrowings} + \text{Current loans and borrowings}$$

Interest-bearing liabilities measures the Group's total debt.

$$14) \text{ Return on equity, \% (ROE)} = \frac{\text{Profit for the period (annualised)}}{\text{Total equity, average during the period}} \times 100$$

ROE measures the financial result in relation to equity. This APM illustrates Kojamo's ability to generate a return for the shareholders.

$$15) \text{ Return on investment, \% (ROI)} = \frac{(\text{Profit before taxes} + \text{Interests and other financial expenses}) \text{ (annualised)}}{(\text{Total assets} - \text{Non-interest-bearing liabilities}), \text{ average during the period}} \times 100$$

ROI measures the financial result in relation to invested capital. This APM illustrates Kojamo's ability to generate a return on the invested funds.

$$16) \text{ Equity ratio, \%} = \frac{\text{Total equity}}{\text{Balance sheet total} - \text{Advances received}} \times 100$$

Equity to assets is an APM for balance sheet structure that discloses the ratio of equity to total capital. This APM illustrates the Group's financing structure.

$$17) \text{ Loan to Value (LTV), \%} = \frac{\text{Interest-bearing liabilities} - \text{Cash and cash equivalents}}{\text{Investment properties}} \times 100$$

Loan to value discloses the ratio of net debt to investment properties. This APM illustrates the Group's indebtedness.

$$18) \text{ Unencumbered asset ratio, \%} = \frac{\text{Unencumbered assets}}{\text{Assets total}} \times 100$$

This APM illustrates the amount of unencumbered assets relative to total assets.

$$19) \text{ Coverage ratio} = \frac{\text{Adjusted EBITDA, rolling 12 months}}{\text{Adjusted net financial expenses, rolling 12 months}}$$

The ratio between EBITDA and net financial expenses. This APM illustrates the Group's ability to service its debts.



- 20) Solvency ratio = $\frac{\text{Interest-bearing debt*} - \text{Cash and cash equivalents}}{\text{Assets total}}$
- The solvency ratio illustrates the ratio of net debt to total assets.
*For this APM, interest-bearing debt includes interest-bearing liabilities, interest-bearing debt related to non-current assets held for sale and transaction prices due after more than 90 days.
- 21) Secured solvency ratio = $\frac{\text{Secured interest-bearing liabilities}}{\text{Assets total}}$
- This APM illustrates the ratio of secured loans to total assets
- 23) Effective dividend yield, % = $\frac{\text{Dividend per share}}{\text{Closing price of the share}} \times 100$
- Effective dividend yield illustrates the ratio between earnings per share and the share price.
- 24) Gross investments = Acquisition and development of investment properties + Modernisation investments + Capitalised borrowing costs
- This APM illustrates total investments including acquisitions, development investments, modernisation investments and capitalised interest.

Other performance measures

- 25) Financial = $\frac{\text{Rental income}}{\text{Rental income}} \times 100$



Reconciliation of key indicators

M€	10–12/2023	10–12/2022	2023	2022
Profit/loss for the period	-94.7	-598.8	-89.0	-399.8
Depreciation, amortisation and impairment losses	0.3	0.3	1.3	1.2
Profit/loss on sales of investment properties	-0.3	-	-0.2	-0.2
Profit/loss on sales of trading properties	-	0.0	-	0.0
Profit/loss on sales of other non-current assets	-0.2	-	-0.2	0.0
Profit/loss on fair value of investment properties	158.7	792.8	295.4	682.0
Financial income	-0.4	-1.3	-13.5	-9.6
Financial expenses	24.9	17.2	84.8	67.0
Share of result from associated companies	-0.1	-0.1	-0.1	-0.1
Current tax expense	1.6	2.8	16.5	17.3
Change in deferred taxes	-26.4	-152.4	-39.8	-117.2
Adjusted EBITDA	63.3	60.6	255.1	240.4
Financial income and expenses	-24.4	-15.9	-71.3	-57.4
Profit/loss on fair value measurement of financial assets	1.4	-1.2	-0.2	-5.3
Adjusted net interest charges	-23.0	-17.1	-71.5	-62.7
Current tax expense	-1.6	-2.8	-16.5	-17.3
Current taxes from disposals	-0.4	-	0.1	0.2
FFO	38.3	40.7	167.2	160.7
FFO excluding non-recurring costs	38.3	40.7	167.2	160.7
Equity			3,625.9	3,842.7
Assets total			8,158.3	8,482.3
Advances received			-6.2	-6.2
Equity ratio, %			44.5	45.3
Unencumbered investment properties			5,918.2	7,008.2
Non-current assets, other than investment properties			125.7	142.3
Current assets			46.9	238.9
Unencumbered assets total			6,090.8	7,389.3
Total assets			8,158.3	8,482.3
Unencumbered asset ratio, %			74.7	87.1
Adjusted EBITDA, rolling 12 months			255.1	240.4
Adjusted net interest charges, rolling 12 months			-71.5	-62.7
Coverage ratio			3.6	3.8
Interest-bearing liabilities			3,600.4	3,678.2
Cash and cash equivalents			15.0	119.4
Total indebtedness - Cash and cash equivalents			3,585.5	3,558.8
Total assets			8,158.3	8,482.3
Solvency ratio			0.44	0.42
Secured loans			839.3	780.7
Total assets			8,158.3	8,482.3
Secured solvency ratio			0.10	0.09