CITYVARASTO OYJ

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INDERES CORPORATE CUSTOMER

INITIATION OF COVERAGE



Buying opportunity in Finland's self-storage king

Cityvarasto is clearly the largest self-storage company in Finland, with a real estate business complemented by van rentals and moving services. At the core of its growth strategy is the cost-efficient acquisition of real estate nearing the end of its life cycle and gradually converting it into self-storage facilities with an EBITDA yield of around 15% on the investment. Indeed, revenue has grown by an average of about 20% per year over the past ten years, and we estimate that the company will be able to continue its strong profitable earnings growth, albeit at a significantly slower rate than targeted (adj. EBITDA 11% p.a. 2026-30) in the coming years as well. We consider the valuation highly attractive from many angles (EV/EBITDA 2027e: 10x), considering the company's growth outlook, market position, and moderate risk level. We initiate coverage with a EUR 17.00 target price and a Buy recommendation.

Disciplined and profitable strategy execution for over 20 years

CEO Ville Stenroos founded Cityvarasto in 1999, and its development has been very strong in the long term. It is Finland's only nationwide self-storage chain, with a market share of around 30%. The core of the strategy is to acquire affordable commercial properties at the end of their lifecycle in good locations and to convert them progressively into self-storage facilities based on demand. Commercial premises rentals generate cash flow even during the conversion phase, and rent per square meter for self-storage units is 2.6 times that of commercial premises. The model ties up less capital than new construction, and the historical EBITDA yield on investment of around 15% for established facilities is excellent in the real estate sector. This has resulted in a real estate portfolio with a balance sheet value of around 212 MEUR (>75% in the Helsinki area, Turku, and Tampere), comprising 82 self-storage facilities in over 30 cities, including those under construction. About half of the lettable area is still commercial premises, most of which will be converted into self-storage within the next 5–10 years, and the occupancy rates for both are at a good level. Nearly 90% of EBIT comes from the real estate business, and the remainder comes from ancillary services, i.e., PakuOvelle.com's van rentals and moving services. The role of these services is to direct customers to the self-storage facilities, and the synergies are strong (cross-selling, shared brand and online store, pickup points in storage facility yards). Around 25% of the company's customers used more than one of the group's services in 2024. Stenroos still owns about 47% of the shares, which greatly incentivizes management but underscores the risk related to key personnel.

Strong trends drive growth in the self-storage market

According to CBRE, the value of the Finnish self-storage market was around 47 MEUR in 2025, and the market grew at a yearly rate of about 6% in 2021-2025. Demand is driven by urbanization, abundance of goods, smaller living spaces, and an aging population, all of which are long-term megatrends. Rising to the Nordic average penetration level would mean storage capacity almost 50% higher than today. We expect revenue to grow by 15% in 2026 to 31.3 MEUR, which is right at the guidance upper end (31.2 MEUR). Adjusted EBITDA (12.7 MEUR) falls to the low end of the guidance range in our estimates due to the lower profitability of ancillary services, so we see a slight risk of a profit warning. In the company's 2024–2029 strategy period, we expect revenue to grow by an average of 12% per year, in line with the target, and by 7% per year in 2027–2030. We foresee the adjusted EBITDA margin rising to 45.2% in 2029, well below the company's target of over 50%. New facilities dilute profitability in the ramp-up phase, and the share of the low-margin moving business has risen. Key forecast risks lie in the heavy phase of investments, greater competition, and the profitability of ancillary services. In our view, the strong balance sheet (LTV Q2'26: 20.0%) allows for the targeted investment pace of 10 MEUR in the coming years.

Prime chance to buy into a company that creates long-term value

We attribute Cityvarasto's share price decline from its IPO price of EUR 16.00 to the exit of a former major shareholder (via a block trade at EUR 13.75) and lowered real estate sentiment due to rising interest rates. Insiders also purchased a significant number of shares in the block trade. Still, we believe the impact of rising interest rates on Cityvarasto is relatively moderate. At the current share price, EV/EBITDA multiples (2026e: 12.2x, 2027e: 10.2x) are 25–33% below the European self-storage peer median, which is also at a 10-year low. Even when considering the share of ancillary services, we believe the discount is too large given its faster growth than peers, and a good expected return does not require rising multiples. We expect adjusted operational EPS to grow by around 16% per year through 2030, which, together with the dividend, will clearly exceed our required return of 9.0%. A cautious SOTP (EUR 15.4) and our DCF calculation (EUR 19.1) highlight the attractive valuation. While our valuation is not based on the net asset value set by an external appraiser (EUR 23.43), we see the company as a potential target for acquisition whose pricing could align with NAV. Although the profit warning risk and weak real estate sentiment are short-term headwinds, we find the expected return to be very attractive for long-term investors.

Recommendation
Buy
(was -)

Target price:
17.00 EUR
(was -)

Share price:
12.75 EUR

Business risk



Valuation risk



	2025	2026e	2027e	2028e
Revenue	27.1	31.3	34.1	36.5
growth-%	21%	15%	9%	7%
EBIT adj.	16.7	10.2	14.2	14.9
EBIT-% adj.	61.7 %	32.5 %	41.6 %	40.9 %
Net Income	10.7	6.0	9.7	10.3
EPS (adj.)	1.49	0.83	1.22	1.29
P/E (adj.)	11.2	15.4	10.5	9.9
P/B	0.9	0.6	0.6	0.6
Dividend yield-%	0.7 %	0.9 %	1.0 %	1.1 %
EV/EBIT (adj.)	10.4	14.5	10.4	9.8
EV/EBITDA	16.0	12.2	10.2	9.2
EV/S	6.4	4.7	4.3	4.0

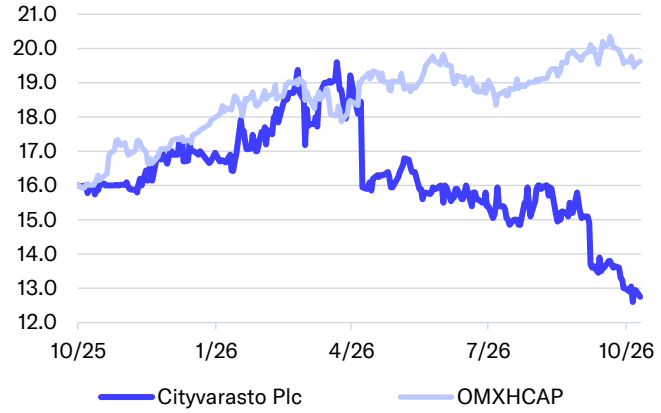
Source: Inderes

Guidance (Unchanged)

Revenue for the financial year 2026 is expected to be 29.9–31.2 MEUR, representing approximately 10–15% growth compared to the financial year 2025 (2025: 27.1 MEUR).

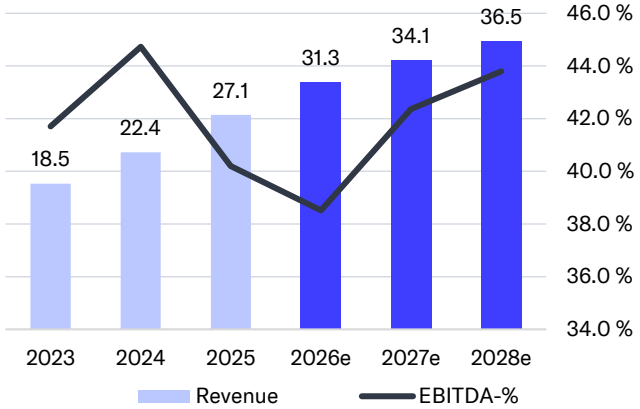
Adjusted EBITDA for the financial year 2026 is expected to be 12.7–13.9 MEUR, representing approximately 5–15% growth compared to the financial year 2025 (2025: 12.1 MEUR).

Share price



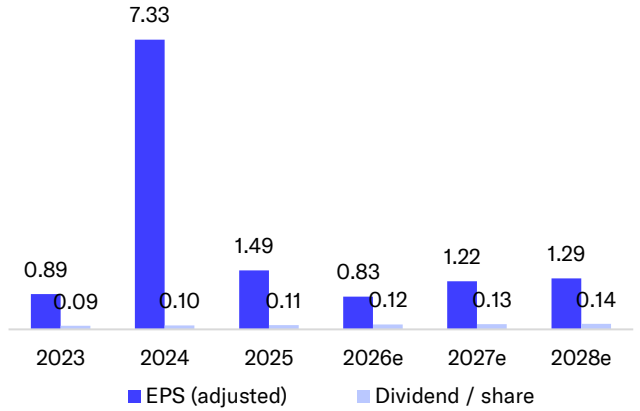
Source: Millistream Market Data AB

Revenue and EBITDA-%



Source: Inderes

EPS and dividend



Source: Inderes

Value drivers

- Continued strong market growth
- Ability to continue investing by acquiring new properties and making acquisitions at an attractive 15% return level
- Conversion potential of the current premise portfolio
- Attractive acquisition target for large foreign operators
- Full realization of business synergies and cross-selling potential
- Recovery of the Finnish economy and housing market

Risk factors

- Intensified competition
- Weak Finnish economic development
- High key person risk
- Highly concentrated ownership
- Ongoing strong investment phase
- Continued rise in interest rates

Valuation	2026e	2027e	2028e
Share price	12.8	12.8	12.8
Number of shares, millions	7.99	7.99	7.99
Market cap	102	102	102
EV	148	148	147
P/E (adj.)	15.4	10.5	9.9
P/E	17.0	10.5	9.9
P/E (operating)	14.6	12.1	10.5
P/B	0.6	0.6	0.6
P/S	3.3	3.0	2.8
EV/Sales	4.7	4.3	4.0
EV/EBITDA	12.2	10.2	9.2
EV/EBIT (adj.)	14.5	10.4	9.8
Payout ratio (%)	16.0 %	10.7 %	10.9 %
Dividend yield-%	0.9 %	1.0 %	1.1 %

Source: Inderes

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Cityvarasto in brief

Cityvarasto is a Finnish self-storage, van rental, and moving service company established in 1999. In addition to the parent company Cityvarasto Plc, the Cityvarasto group consists of PakuOvelle.com Oy, which specializes in van rental, and moving service companies Suomen Opiskelijamuutot Oy and Ja-Ki Muutto Oy as the most significant subsidiaries.

1999

Year of establishment

29.2 MEUR (Q2'25: 24.3 MEUR)

Revenue Q2'26 rolling 12 months

41.1% in (Q2'25: 44.9%)

Adj. EBITDA-% Q2'26 rolling 12 months

212 MEUR (Q2'25: 197 MEUR)

Fair value of the real estate portfolio at the end of Q2'26

83% and EUR 25.5 (Q2'25: 79% and EUR 25.9)

Self-storage occupancy rate and average contract rent €/m^2/month at the end of Q2'26

20.0% and EUR 23.4 (Q2'25: 23.5% and EUR 23.0)

Loan-to-value (LTV) and NAV per share at the end of Q2'26

EUR 0.79 (Q2'25: EUR 0.75)

Adjusted operating earnings per share Q2'26 rolling 12 months

Source: Cityvarasto, Inderes

Founding the company and refining the concept, 1999–2008

Founded in 1999 by Ville Stenroos and Matti Heiskanen, who are still with the company

Changed the name to Cityvarasto in 2007, and digital rentals began

Digital revolution and strong growth, 2009-2018

First acquisition in 2009

Organic growth accelerates and 6 storage company acquisitions in 2013–2015

Acquisition of a minority stake in PakuOvelle.com in 2016

Biomerit (Chair of the Board) becomes a minority shareholder; acquisition of a majority stake in PakuOvelle.com in 2018

2019-2026

Acquisition of the entire share capital of PakuOvelle.com in 2020

Feut AS invests in the company in 2020-21

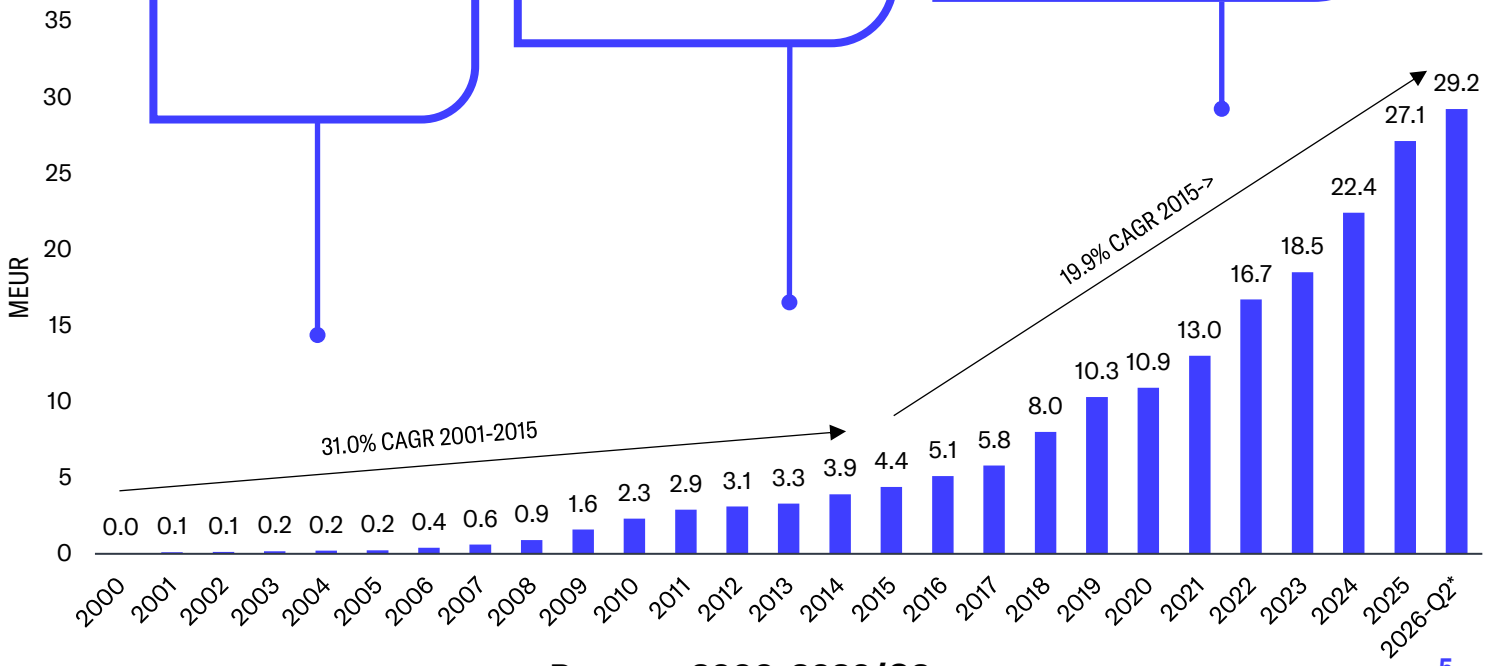
Acquisition of Opiskelijamuutot in 2022

Very strong growth in ancillary services, led by van rentals

Strong expansion through property acquisitions and M&A

IPO with a 15 MEUR issue and 26 MEUR share sale in 2025

Acquisition of Ja-Ki Muutto



Revenue 2000–2026/Q2

**Q2'26 last 12 months*

Company description

Cityvarasto in a nutshell

Cityvarasto is clearly the largest self-storage company in Finland, renting storage space to private individuals and businesses alike. The company's core business is its ability to acquire properties nearing the end of their lifecycle at a low cost and convert them gradually for self-storage use. Cityvarasto has achieved an excellent net yield of around 15% on investment costs for properties at the end of their lifecycle. The company owns most of its properties, and nearly half of the lettable area is still used for mixed commercial purposes. These premises generate rental income even before conversion and simultaneously serve as reserves for future self-storage capacity. Its network of 82 self-storage facilities covers 30 Finnish cities, and the majority of its portfolio's fair value is concentrated in the Helsinki metropolitan area and other growth centers.

The real estate business is complemented by ancillary services, whose ultimate purpose is to attract more self-storage customer traffic to the company. PakuOvelle.com is Finland's largest van rental company and has grown very strongly in recent years, and moving services are provided by Opiskelijamuutot and Ja-Ki Muutto that was acquired at the beginning of 2026. There are strong synergies across all businesses through cross-selling of services and utilization of shared resources. The Group's revenue for the 2025 financial year was approximately 27 MEUR, 70% of which came from the real estate business that also accounted for just over 80% of EBIT. The Group's average annual revenue growth over the past 10 years has been approximately 20%.

Overall, we believe that Cityvarasto's competitive advantages, which rely on its service offering, industry-leading scale, brand, and development model, are strong. We see clear potential for the company to grow further in the expanding self-storage market, which is supported by strong megatrends.

41 MEUR IPO in October 2025

Cityvarasto listed successfully on the Nasdaq First North marketplace in October 2025. The subscription price was EUR 16.00 per share (EUR 14.40 in the personnel offering), and the company raised around 15 MEUR in gross proceeds. In addition to the issue, the IPO included a share sale of around 26 MEUR by the current owners (Stonerose Capital, Feut, and Matti Heiskanen). The total amount of the initial public offering was thus approximately 41 MEUR, and the market capitalization upon listing was approximately 128 MEUR. The offering was oversubscribed for both the public and institutional offerings, and there was strong demand from international investors for a small company. Cornerstone investors (Elo, Odin Eienfom, funds managed by Sp-Fund Management Company, SKAGEN, Takoa Invest, and Biomerit) subscribed for shares totaling 20 MEUR, or approximately 43% of the total transaction, and the number of shareholders following the listing was 1,261. Cityvarasto attracted many institutional investors during its IPO, which we view as a positive sign.

Proceeds from the share issue are intended to support the growth strategy, including facility acquisitions and development projects, mergers and acquisitions, as well as other growth investments. Additional objectives of the IPO included increasing strategic flexibility, gaining access to capital markets, broadening the ownership base, increasing the company’s recognition, and making more effective use of stock as consideration in acquisitions and the remuneration of personnel. The company agreed to a 180-day lock-up period while the board of directors, management team, and personnel participating in the offering agreed to a 360-day lock-up period. The company estimated that the listing fees and expenses would total approximately 1.7 MEUR. While this cost level is high in absolute terms, relative to the gross proceeds raised (slightly over 10%), it is quite typical for a small-sized IPO that also includes a significant share sale. Based on Q4'25 figures, the company was valued at an actual EV/EBITDA multiple of around 13.3x.

Management Team



Ville Stenroos
CEO 1999–
M.Sc. (Tech.), b. 1973
Holding: 3,779,340 shares



Matti Heiskanen
COO 1999-
M.Sc. (Tech.), b. 1974
Holding: 110,128 shares



Matti Leinonen
CFO 2021-
BBA, b. 1983
Holding: 3,624 shares



Mikko Erkkilä
CEO of Ancillary Services 2020-
M.Sc. (Econ.), b. 1976
Holding: 4,500 shares



Elina Himberg
Sales and Marketing Director 2025-
BBA, b. 1986
Holding: 690 shares

Board of Directors



Aki Kostiander
Chair of the Board 2025-
M.Sc. (Econ.), b. 1969
Holding: 304,000 shares



Ville Stenroos
Member of the Board 1999-
M.Sc. (Tech.), b. 1973
Holding: 3,779,340 shares



Laura Vartiainen
Member of the Board 2026-
M.Sc. (Econ.), b. 1984
Holding: 162,000 shares
in Takoa invest Oy
(related party company)



Salla Tuominen
Member of the Board 2025-
M.L., b. 1976
Holding: 675 shares

Holdings 9/30/2026 Source: Cityvarasto

Management holdings and largest shareholders

Management and Board of Directors' holdings (September 30, 2026)

Name and position	Shares	Share %
Ville Stenroos CEO (Stonerose Capital Oy)	3,779,340	47.08
Aki Kostiander Chair of the Board (Biomerit Oy)	304,000	3.79
Laura Vartiainen Member of the Board (Takoa Invest)	162,000	2.02
Matti Heiskanen Member of the management team	110,128	1.37
Mikko Erkkilä Member of the management team	4,500	0.06
Matti Leinonen CFO	3,624	0.05
Elina Himberg Member of the management team	690	0.01
Salla Tuominen Member of the Board	675	0.01
Total	**4,364,957**	**54.38**

Largest shareholders (Top 15; September 30, 2026)

Owner	Shares	Share %
1. Stonerose Capital Oy (CEO)	3,779,340	47.08
2. SEB (nominee registered)	1,481,126	18.45
3. Elo Mutual Pension Insurance Company	362,500	4.52
4. Varma Mutual Pension Insurance Company	360,000	4.48
5. Biomerit Oy (Chair of the Board)	304,000	3.79
6. Takoa invest Oy (related party company of Laura Vartiainen)	162,000	2.02
7. Säästöpankki Kotimaa -Sijoitusrahasto	160,000	1.99
8. Veritas Pension Insurance Company Ltd.	156,250	1.95
9. Sijoitusrahasto Säästöpankki Pienyhtiöt	146,250	1.82
10. Danske Invest Finnish Equity	125,998	1.57
11. Merimieseläkekassa	115,000	1.43
12. Matti Heiskanen (COO)	110,128	1.37
13. Proprius Partners Micro Finland	70,000	0.87
14. Sijoitusrahasto eQ Suomi	54,403	0.68
15. Aktia Finnish Micro Cap	47,500	0.59
Top 15 largest shareholders total	**7,434,495**	**92.62**

Management is highly committed to the company through its ownership

As of September 2026, the direct ownership of management and the board in Cityvarasto totaled around 4.4 million shares, or 54.4% of the share capital, a figure that is exceptionally high for a listed company and that closely aligns the interests of management with those of other shareholders. However, ownership is highly concentrated. CEO Ville Stenroos owns 47.1% of the shares through Stonerose Capital, Chair of the Board Aki Kostiander owns 3.8% through Biomerit, and COO Matti Heiskanen owns 1.4%, while other management team members have very small holdings. In addition, Takoa Invest, a related party company of board member Laura Vartiainen, owns 2.0% of the shares. We view the CEO's substantial ownership as a significant positive indicator of commitment, though it also means that ownership and decision-making power depend heavily on one individual. Nevertheless, we view this as an unambiguous net positive, and in our opinion, preserving a strong entrepreneurial mentality is one of the cornerstones of Cityvarasto's investment case.

The ownership is highly concentrated, with many institutional investors included

For a small company with low liquidity, Cityvarasto has an unusually large number of major institutional investors on its shareholder list. We believe it is a good sign that several major investors are willing to make a long-term commitment to the company. Households' share of ownership is only 4.9%.

At the time of the IPO, Cityvarasto's second-largest shareholder was the Norwegian investment company Ferncliff TIH AS (Feut AS). Prior to the listing, the company held a 25% stake, and it sold nearly half of its holdings in connection with the listing. In April 2026, Feut AS sold about 5% of Cityvarasto’s share capital at the IPO price (EUR 16.0/share) in a block trade to several institutional investors. Feut AS sold its remaining stake (7.3%) in a block trade in September 2026 at a price of EUR 13.75/share. Management and the board purchased 125,000 shares (~1.7 MEUR) in the transaction, which, in our opinion, demonstrates strong confidence in the company. The remainder mostly went to the company's existing and new institutional investors.

Cityvarasto's historical acquisitions

Cityvarasto M&A transactions 2009-2026

Year	Target	Description
2009	Hämeen Minivarasto Oy	Business acquisition
2013	Agenttivarastot	Business acquisition (Salainen Agentti Oy)
2014	Tampereen Kaupunkivarastot Oy	Merger with Cityvarasto
2014	Citystaff Oy	Merger with Cityvarasto
2014	Torivarasto	Business acquisition (Cicu Oy)
2014	Turku Minivarasto Oy	Business acquisition
2015	Varastopiste	Business acquisition
2016	PakuOvelle.com	Acquisition of minority interest
2016	HomeBox Finland Oy	Business acquisition
2017	Hämeen pikkuvarastot Oy	Acquisition of share capital
2018	PakuOvelle.com	Majority stake, expansion into van rental
2018	Lahden Ykkösvarasto Oy	Business acquisition
2020	PakuOvelle.com	Entire share capital into a wholly-owned subsidiary
2021	Cityvarasto Hyvinkää	Franchisee business operations
2021	Lappeenrannan Minivarasto	Business acquisition
2022	Tavarasto	Business acquisition
2022	Opiskelijamuutot	Business acquisition, expansion into moving services
2023	Puupeukalo Oy	Share capital acquisition (Oulun Monivarasto)
2023	Varastosta Oy	Varastokopit.fi share capital and business operations
2024	Eurovarasto	Kiinteistö Oy Jääsalontie 12's share capital and business operations
2026	Ja-Ki Muutto	Business deal, larger removal projects
2026	Kenguruvarastot Oy	Share capital acquisition (Vantaa, around 700 m^2)

Source: Cityvarasto, Inderes

Investments in the company

Year	Event	Description
2018	Biomerit Oy	Investment, minority shareholder
2020	Feut AS	Investment, largest minority shareholder
2021	Feut AS	Further investment in the company
2025	Share issue (IPO)	938,628 new shares, gross proceeds of around 15 MEUR for the company
2025	Share sale (IPO)	Sellers sold approximately 1.9 million shares, gross proceeds of around 31 MEUR (incl. over-allotment option)

Cityvarasto's business model

REAL ESTATE BUSINESS The cycle of value creation



1 Procurement
Cost-effective properties at the end of their life cycle, mainly from growth centers

Mainly self-owned

2 Immediate rental yield
Commercial premises tenants generate cash flow even before conversion

69,000 m² of commercial premises

3 Conversion
The premises are gradually converted into self-storage facilities

Over 20,000 m² of potential in the existing base

4 Fulfillment
The occupancy rate rises as the facility matures

Occupancy rate 83 %

5 Mature asset
High margin and long-term cash flow

Realized return of ca. 15-16% (EBITDA/investment cost)

Increase in fair value boosts debt capacity and finances new acquisitions

SPECIAL CHARACTERISTICS OF CITYVARASTO AND SELF-STORAGE

Self-storage facilities as real estate
High rent per square meter, thousands of small rental agreements, and dynamic pricing

Cityvarasto is Finland's largest operator
The only nationwide self-storage chain

Strong brand, consumer customers
The highest brand awareness in the industry (57%), the majority of sales online

ANCILLARY SERVICES Strategic role in bringing customer flow to self-storage facilities

PakuOvelle.com
549 cars, 7.1 MEUR

Moving services
1.1 MEUR (2025)

Synergies
~30% of revenue

Synergies: Shared brand and online store, free advertising space in vans, cross-selling, and pickup points in storage facility yards

REAL ESTATE PORTFOLIO Lettable area Q2'26, total 140,000 m²



25.5 EUR/m²/month · 83%
contract rent · occupancy rate

9.8 EUR/m²/month · 80%
contract rent · occupancy rate

Gradual conversion

Some 20,000 m² of the commercial premises will be converted into self-storage over the next five years (company estimate). About 2/3 of the gross floor area will be converted into leasable self-storage space, and the rent per square meter will increase by about 2.6 times.

82 facilities **212 MEUR** fair value **20%** LTV, target under 35%

Source: Cityvarasto, Inderes. Figures for Q2'26, unless otherwise stated.

Real estate business 1/6

Real estate business overview

Cityvarasto's core business is real estate, which covers the rental of self-storage units and other facilities, as well as self-storage services. In 2025, this segment accounted for about 71% of the group's revenue, with the rest coming from ancillary services, i.e., van rentals and moving services. The total lettable area for self-storage space was about 67,000 m^2, while the total area of various types of facilities was about 69,000 m^2 (Q2'26), most of which will be converted into self-storage space in the future. Demand for self-storage is backed by many clear structural trends. Urbanization and immigration are increasing the number of residents in growth centers, where apartments and their storage spaces are small. At the same time, households are shrinking in size while growing in number, the population is aging and becoming more affluent, and people are accumulating more possessions.

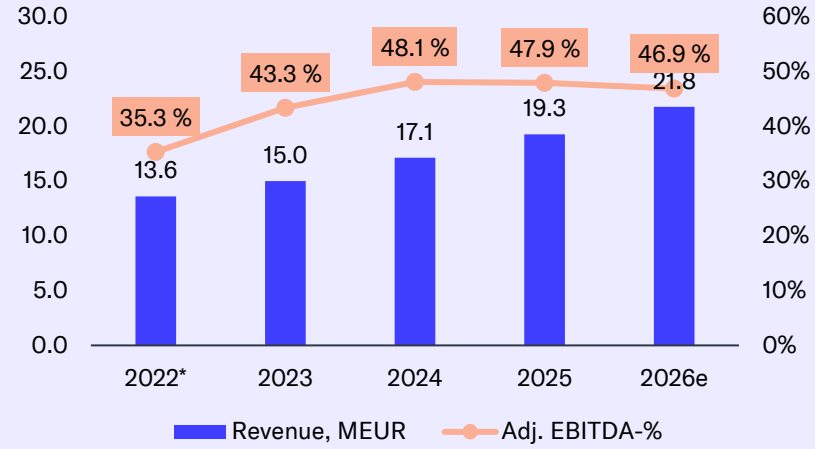
Cityvarasto had 82 self-storage facilities in Q2'26. It currently operates in 30 cities and, in our estimation, holds a very significant market share of around 30% in Finland. According to Cityvarasto, around 60% of the population of Finland lived within 15 minutes of the company's self-storage facilities at the time of the IPO (Q2'25). Cityvarasto owned approximately 90% of the properties used for business operations and, at the time of the IPO, 34 facilities were on company-owned land, 18 were on long-term leased land, and 20 were in leased premises. The network is concentrated in growth centers, and around 65% of the property portfolio was located in the Helsinki region. The average lease term is 27 months, indicating that the business is consistent and relatively predictable. The occupancy rate for self-storage units was around 83%, and the average contract rent per square meter was about EUR 25.5 per month (Q2'26). The corresponding figures for commercial premises were 80% and EUR 9.8. In 2025, the segment's adj. EBITDA was approximately 9.2 MEUR, or 48% of revenue.

Converting commercial properties into self-storage units is one of the main drivers of the company's business model

A key pillar of Cityvarasto's business model is its conversion model, through which the company acquires industrial and commercial properties at the end of their lifecycle and gradually converts them into self-storage facilities. The company can operate under this model at a significantly lower cost than new builds, as the investment cost, including the total lettable space, is approximately EUR 700-750 per square meter, according to the company. This cost is estimated to be split evenly between property acquisition and conversion. Conversion is also environmentally friendly because reusing the frame and foundations eliminates the vast majority of construction emissions. A recent study by the Ministry of the Environment found that the carbon footprint of the renovation option is 30 percent that of a comparable new building.

The conversion and development work includes a comprehensive alteration aimed at optimizing the building structure, energy efficiency, and functionality for self-storage use. A significant part of the transformation and development work involves repairing the properties' facades and modifying them to feature the company's brand colors. This is important for building brand recognition. Efforts will be made to update the property's floor plan, and the interior and structures will be modified to allow for the most efficient use of space possible. According to the company, on average, each square meter of rented self-storage space requires 1.5 square meters of bulk area. The median duration of conversion from acquisition to opening was about 14 months in 2021-2023 (8 months for planning and permitting, and 6 months for construction). Cityvarasto has achieved a net yield of around 15% on investment costs for properties at the end of their lifecycle. This level is excellent and indicates the concept's viability.

Real estate business: revenue and adj. EBITDA-%



Cityvarasto locations









Source: Cityvarasto, Inderes

Real estate business 2/6

Service offering – self-storage and self-storage services

In the self-storage business, Cityvarasto rents small, lockable storage units to customers. The average floor area of an individual unit was 4.3 square meters (Q2'25), and there were approximately 200 units per facility on average. Storage unit sizes range from approximately one to 30 square meters, with around 75% being small, under 6 m^2. At the end of Q2'26, the total lettable area was 67,000 m^2, of which 4,000 m^2 were lettable containers in Cityvarasto parking lots.

Storage units are generally rented on a month-to-month basis, and the contract is renewed automatically unless it is terminated. The customer base is very broad. However, private customers are by far the largest customer group, accounting for over 80% of the total, while business customers include renovation companies, moving companies, real estate agents, and others. The most important single customer use case is private individual moves. Other major reasons for use among individual customers relate to the need for additional space (a growing driver), renovations, estates of the deceased, and students renting out their apartments during the summer. From Cityvarasto's perspective, small storage units (for individuals) are the most profitable, while business customers would naturally require larger spaces. Small unit sizes and a broad customer base weigh tenant risk very low collectively.

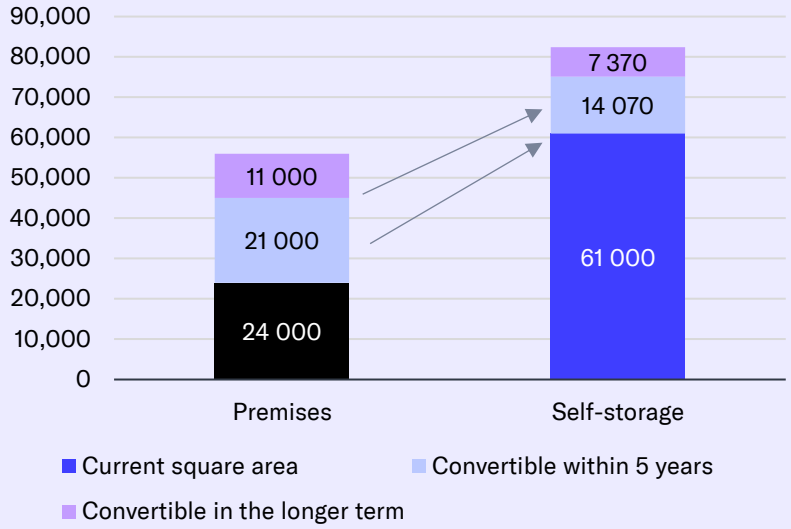
In addition, self-storage services include the sale and rental of moving and packing supplies, locking equipment, as well as customer insurance arrangements. According to the company, around 90% of self-storage customers are satisfied or very satisfied, which supports customer retention. The average length of the company's self-storage rental agreements in Q2'25 was 27 months, and this average has increased notably since the end of 2023, when it was 23 months. Cityvarasto customers typically keep their storage units longer than originally planned, so offering ancillary services at a significant discount can be quite profitable.

Service offering – other leased premises

In addition to self-storage units, Cityvarasto leases mixed-use spaces with around 69,000 square meters of lettable area (Q2’26). Along with actual commercial premises, this includes storage space, apartments, and parking spaces, as well as office center spaces of various sizes. The portfolio also includes just over 700 outside parking spaces and approximately 9,000 m^2 of space in total. These leaseable premises operate within the same properties as the self-storage units, having come with them through property acquisitions. In the future, they will mainly be converted into self-storage units. In terms of property types, most can be classified as light industrial/logistics.

Tenants' industries vary widely, and examples of rented uses include office centers, padel courts, band rooms, and car shops. As of Q4’24, the average area of individual space leased other than as self-storage was approximately 82 m^2, which is clearly larger than self-storage units but still quite small. The terms of the agreements, such as the notice period and maintenance responsibilities, vary depending on the customer and location. However, Cityvarasto aims to keep the terms flexible from its own perspective, with future conversion to self-storage in mind. These mixed-use facilities had an occupancy rate of around 80%, and the average contract rent per m^2 was around EUR 9.8 per month (Q2’26), which is clearly lower than the around EUR 25.5 per m^2 for self-storage units. The occupancy rate is at a good level, which, in our view, demonstrates the viability of the Cityvarasto concept as a whole. Cityvarasto primarily competes on low prices in these segments.

Illustration of the conversion potential of the current property portfolio at the time of listing



Source: Cityvarasto, Inderes

Real estate business 3/6

Built-in conversion potential in the current premises portfolio

At the time of its listing, Cityvarasto estimated that it would convert approximately 21,000 m^2 of existing premises into self-storage units over the next five years, which, according to our estimate, requires slightly over 30,000 m^2 of lettable premises. As of the end of 2025, after completing some of the conversions, the company's estimate for the following five years was approximately 20,000 m^2. Additionally, at the time of listing, the company estimated that it would convert 11,000 m^2 of premises into self-storage units in the long term. Commercial premises permanently excluded from conversion, mainly due to technical reasons, account for just under 10% of the fair value of the property portfolio, corresponding to approximately 24,000 m^2 of lettable commercial premises (as of the end of 2025), according to our estimate.

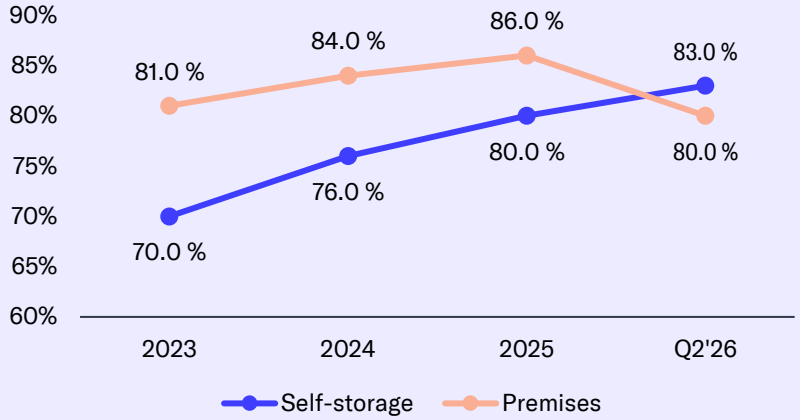
The significantly higher return level of self-storage units means that gradually converting premises into self-storage units will increase income per square meter substantially and thus offer clear growth potential.

Occupancy rates and rental levels are the most significant drivers of revenue

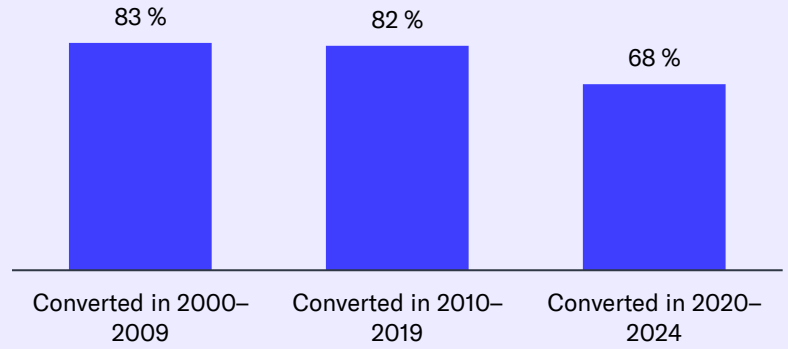
The real estate business generated 19.3 MEUR in revenue in 2025, marking a 12.6% year-on-year increase (2024: 17.1 MEUR). The earnings of the real estate business are largely based on rental income from self-storage units, so the occupancy rate and rental levels are key drivers of revenue. These are optimized through dynamic pricing, where rents are adjusted in real time according to demand, location, and storage unit type, balancing occupancy and average price. The company's ability to engage in dynamic pricing is supported by its large market share in Finland. As is typical in this industry, Cityvarasto has the right to adjust the rent by notifying the tenant at least 30 days before the change takes effect. In practice, this is an effective hedge against inflation.

The occupancy rate of self-storage facilities typically increases as the site matures, as evidenced by the fact that it was around 82–83% on December 31, 2024, for facilities converted between 2000 and 2019, but only around 68% for those converted between 2020 and 2024. As the younger portfolio of locations matures, we estimate there will be upside in terms of occupancy rates and, consequently, revenue without the need for significant additional investments.

Occupancy rates at period end



Occupancy rate of self-storage units by conversion year, 12/31/2024



Source: Cityvarasto, Inderes

Real estate business 4/6

Profitability of real estate business increases over time

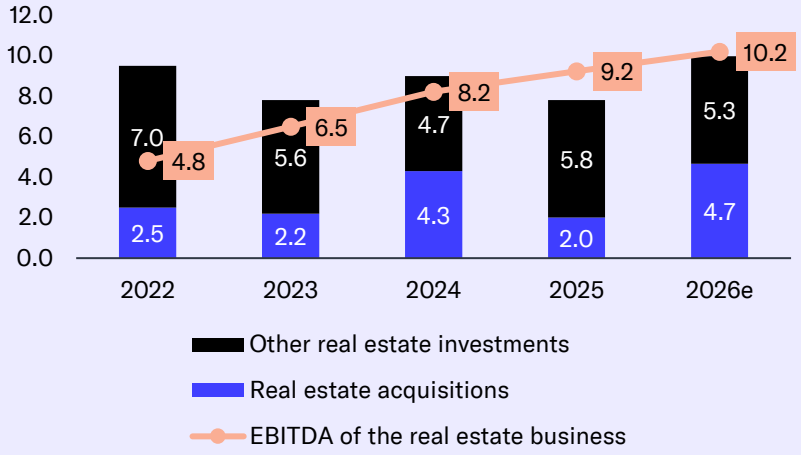
Cityvarasto's real estate business is already highly profitable at present. In 2025, adjusted EBITDA for the real estate business was 9.2 MEUR (2024: 8.2 MEUR), which corresponds to an EBITDA margin of 47.9% (2024: 48.1%). On average, the EBITDA margin has been around 44% in 2022-2025. The business model has scalable features because the costs of self-storage facilities are largely fixed, meaning an increased occupancy rate directly translates to higher margins. Cityvarasto has cited the Pitkämäki property in Turku as an example, which it acquired in 2013, and whose EBITDA margin before group expenses rose from around 72.9% (2022) to 75.3% (2023) and to around 80.6% (2024) as the occupancy rate increased to 75.5% At the site, Cityvarasto also managed to raise the average rent from EUR 22 → EUR 24. We have created a visual illustration of the site on the following page. The net yield on invested capital for the property in 2024 was approximately 20%. As a significant portion of the facility network is still in the maturation phase, we estimate that there is structural upside potential in profitability as occupancy rates improve without a corresponding increase in costs. The company's long-term target is an EBITDA margin of over 50% at the group level. The target is higher for the real estate business, as the profitability potential of ancillary services is clearly lower. In practice, we estimate this means a margin of at least 55%. We consider this target achievable as the facility network matures and revenue grows. The company's large European peers* operate with EBITDA margins of around 59-62%.

Significant initial investments, but relatively small maintenance costs

As is typical of real estate operations, the self-storage business ties up capital upfront because opening a new facility requires property acquisition and conversion work, while maintenance investments for an existing facility are relatively low. Compared to other property types, maintenance investments are also light.

Cityvarasto is currently in a strong growth phase, which is why investments are large relative to EBITDA. However, we believe this is well warranted, as the property-specific net yield averages around 15%. Economies of scale in the business also support pursuing growth. Investments in the real estate business averaged approximately 8.5 MEUR in 2022–25, while the EBITDA of the real estate business rose to approximately 9.2 MEUR in 2025. On average, investments have been divided into approximately 2.8 MEUR for new real estate investments and 5.8 MEUR for other real estate investments in the existing portfolio. In line with the company’s objectives, we expect the investment-to-EBITDA ratio to gradually decline in the coming years. The company’s goal for the strategic period is to invest approximately 10 MEUR annually across its entire business, with real estate investments accounting for the bulk of this amount.

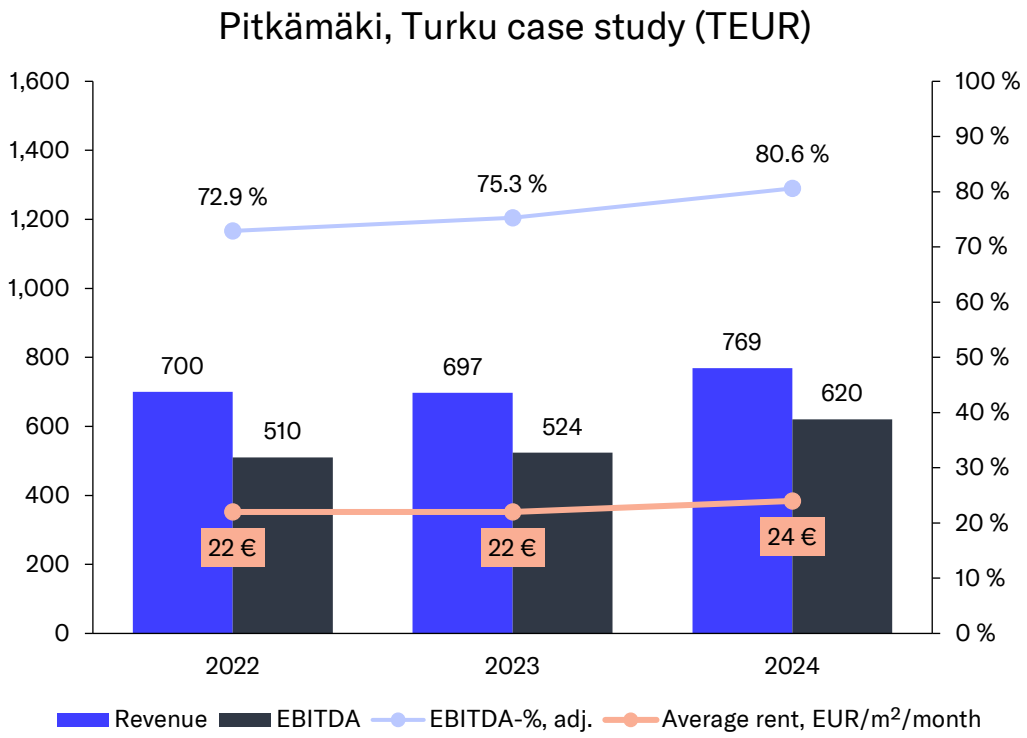
Investments and EBITDA in the real estate business, MEUR

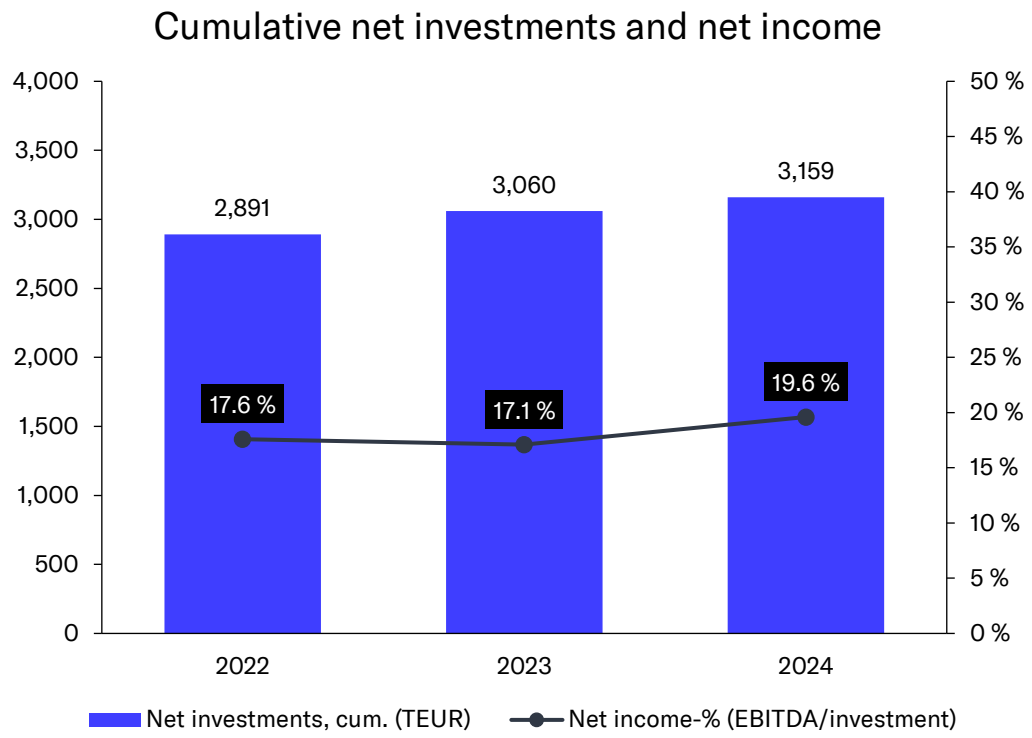


*Shurgard, Big Yellow, Safestore

Source: Cityvarasto, Inderes

Case Study: Pitkämäki, Turku





Source: Cityvarasto, Inderes

Real estate business 5/6

Cost structure of real estate business

The cost structure of the real estate business is primarily fixed and relatively light. The core expenditures associated with rental operations are related to marketing and self-storage facility expenses, the most significant of which are energy costs (electricity, heating, and water), property maintenance and repair costs, and real estate taxes. Other significant items include employee and administrative costs. As of December 31, 2024, the average maintenance cost per square meter of the facilities was approximately EUR 3. This figure was based on the lettable area of the company's own properties at that time and included costs related to maintenance costs and charges, utilities and repairs. This level is low in absolute terms but especially compared to the high rents per square meter. The facilities are largely automated and operate mainly on a self-service basis, supported by centralized customer service and part-time facility managers, which keeps staffing needs low. Security is ensured through access control, video surveillance, and regular inspection visits, as well as fire, intrusion, and leakage alarms, and the storage facilities are approved by insurance companies.

Since the vast majority of expenses are fixed, the company has only limited ability to adjust them in the short term, and profitability depends primarily on maintaining occupancy rates and rental levels. A fixed cost structure means strong operational leverage, so increases in occupancy rates and rents translate well into earnings. Operational leverage naturally works in the opposite direction as well if business develops poorly. We believe there is still clear room for scalability in the fixed costs of the real estate business. For example, at Shurgard, a major European company, operating expenses account for about one-third of revenue (or 41% based on reported figures), compared with about 55% for Cityvarasto's real estate business. This also suggests to us that there is scalability potential in profitability.

Own development model is at the heart of value creation

Cityvarasto is expanding its network of facilities through two avenues, i.e., acquiring individual properties and executing acquisitions. Between 2010 and 2024, the company has completed 20 M&A transactions and acquired 56 properties. On average, the company has made around 1-2 business acquisitions per year, typically targeting smaller self-storage operators, though most of its growth has been organic, acquired through individual property purchases. The facility acquisition strategy focuses on buildings nearing the end of their life cycle that are located along key transportation routes and in densely populated, growing areas. The acquired properties offer attractive returns. According to the company, the average estimated yield on cost for its established facilities with an occupancy of over 70% is approximately 15%. When the analysis is limited to locations with an occupancy rate above 80%, the average yield is approximately 16%. The latter group is also included in the former, so the figures do not depict the yield increase of an individual facility as its occupancy rate rises. In our view, these return levels are clearly higher than those of conventional real estate investments and are the result of the low acquisition price of the conversion model and the high self-storage margin.

Cityvarasto also aims to acquire properties in areas with potential for future development, such as residential use. We believe this is important, as the residual value of self-storage facilities in non-self-storage operations is very low. The company has not assessed the current development potential in more detail, but we consider it a positive option for some of the properties. However, our valuation and estimates are based almost entirely on the use of properties for self-storage and commercial premises.

Cost structure, MEUR

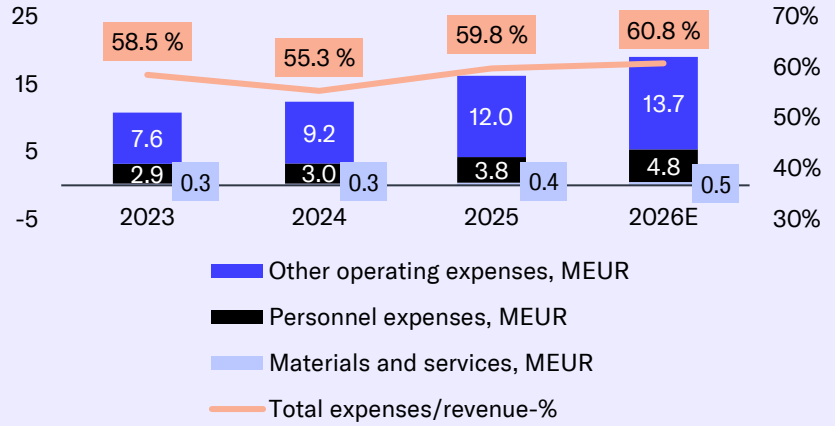
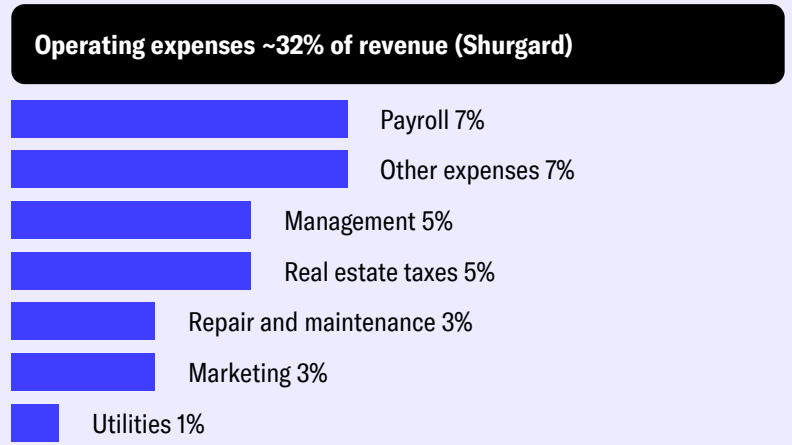


Illustration of Cityvarasto's peer Shurgard's operational profitability



Source: Cityvarasto, Shurgard, Inderes

Real estate business 6/6

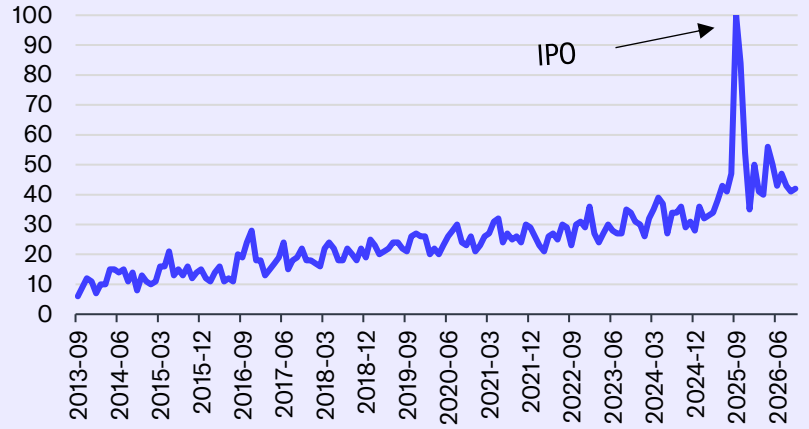
Synergies between the self-storage business and ancillary services

At the core of Cityvarasto's business model is the coverage of the entire moving and storage value chain as the company not only offers self-storage but also van rentals, moving services, and packaging, locking, and moving box products. In practice, the company provides everything an individual needs for their move. These services also complement each other, as the same life changes generate demand for both storage and moving and transporting. In 2024, approximately one quarter of customers had used more than one of the Group's services, and the company is driving additional sales growth through a call center, marketing automation, and cross-selling between group companies, among other things. In 2026, Cityvarasto implemented a major redesign of its online store, one of the main goals of which was to increase cross-selling opportunities. In addition, the more than 500 vans owned by PakuOvelle.com and the vehicles used by Opiskelijamuutot provide Cityvarasto with significant free visibility in traffic, and the parking spaces at the self-storage facilities serve as cost-effective pickup/storage points for the vans. We believe that a shared customer base and cross-selling opportunities greatly enhance customer acquisition.

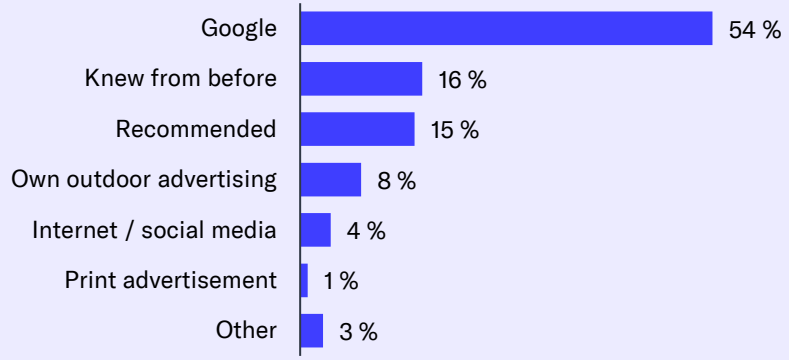
Own online store at the core of customer acquisition

The online store is Cityvarasto's most important sales channel, and developing it is central to the company's strategy. In 2024, approximately 70 percent of self-storage rental agreements and all van rentals were concluded online, and in the six-month period ending Q2'25, the online share of self-storage had already increased to around 80 percent. Sales are optimized based on data and supported by marketing automation, centralized customer service, and cross-selling between group companies. Brand recognition is primarily built on digital discoverability. Based on the company's customer study (2023-2024), 54 percent of customers found Cityvarasto through Google, 16 percent had known of the company for a long time, 15 percent came through a recommendation, while branded facilities and vans accounted for 8 percent. In our assessment, good search engine visibility and the industry-leading online store provide a significant competitive advantage and a scalable customer acquisition channel. This will also support the company in the age of artificial intelligence because, for now at least, AI is more likely to recommend better-known companies. However, we believe it is important for the company to also invest in optimizing the AI channel in the future, as we estimate it will become a significant channel for self-storage sales.

Google Trends search "cityvarasto"



Channels for finding new customers, % (customer survey 2023–2024)



Source: Cityvarasto, Google, Inderes

Ancillary services 1/4

Ancillary services act as a "feeder function" for self-storage facilities

Cityvarasto's ancillary services consist of van rental (PakuOvelle.com) and moving services (Opiskelijamuutot and Ja-Ki Muutto). Additionally, Cityvarasto aims to expand into a more comprehensive moving box service through its subsidiary, Suomen Banaanilaatikot Oy, which was established in 2024. The business was originally built through acquisitions. The company acquired a minority shareholding in PakuOvelle.com in 2016, a majority shareholding in 2018, and the entire share capital in 2020, as well as the moving services business of Opiskelijamuutot through a business acquisition in 2022. Both businesses have grown significantly as part of Cityvarasto following the acquisitions. PakuOvelle, in particular, has been an excellent acquisition for Cityvarasto. Ancillary services generated 8.2 MEUR in revenue in financial year 2025, representing about 30% of the Group's revenue (2024: about 25%). The strategic role of these services is to cover the entire moving value chain and act as a feeder function and an almost free marketing channel for self-storage. Around a quarter of customers have used more than one of the Group's services. We believe the value of ancillary services for investors comes from the segment's own earnings and directing customer traffic to the self-storage business, which generates recurring rental income. Similarly, self-storage customers are an efficient channel for acquiring ancillary services customers due to excellent synergies (e.g., moving goods typically requires a van).

Revenue and profitability development of ancillary services

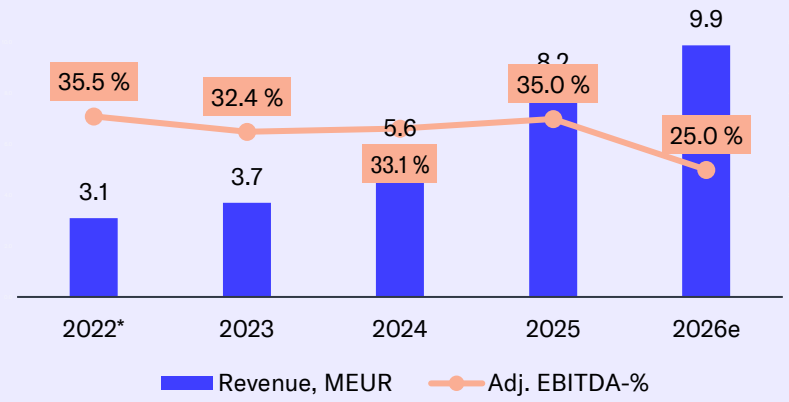
Revenue from ancillary services has grown very rapidly in recent years, driven by investments in the van rental business. The segment's revenue more than doubled between 2023 and 2025, reaching 8.2 MEUR in 2025. The segment accounted for about 30% of revenue and about 24% of adj. EBITDA After considering depreciation, the share of earnings is smaller (17% of the Group's EBIT).

Most of the revenue comes from van rentals (7.1 MEUR in 2025), while moving services accounted for 1.1 MEUR. Profitability has also trended upward in recent years, with an EBITDA margin of 35.0% in 2025. In 2026, however, profitability will face pressure from the acquisition of the Ja-Ki Muutto business, which was clearly less profitable than this at the time of acquisition.

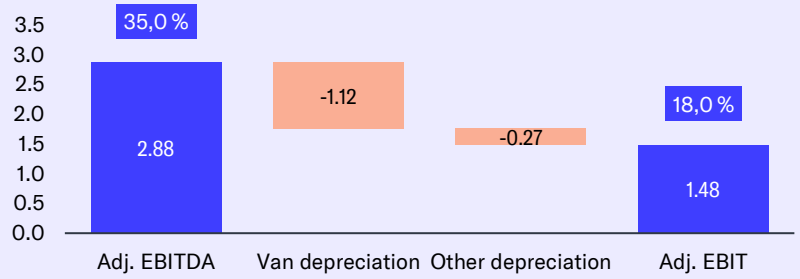
Nevertheless, for ancillary services, it is important to monitor EBIT adjusted for potential acquisition-related depreciation, as the van fleet must be continuously renewed. In accounting, vans are depreciated over 10 years. Considering depreciation, the EBIT margin for ancillary services in 2025 was around 18%, a level that we still consider very good in the context of the industry. According to our estimate, the return on capital employed in 2025 was also around 15%, an excellent level considering the significant growth investments in recent years.

According to FAS financial statements, PakuOvelle's EBITDA margin was 39% and Opiskelijamuutot's was 3%. In our opinion, while the profitability of different businesses cannot be directly assessed from these figures, it is safe to say that the van rental business is the segment's clear earnings driver. Regarding earnings volatility, it is important to note the seasonality of the business, with moving and transportation demand concentrated in the summer quarters (segment adj. EBITDA margin 2025: Q1 and Q4 averaging 28% vs. Q2 and Q3 averaging 41%).

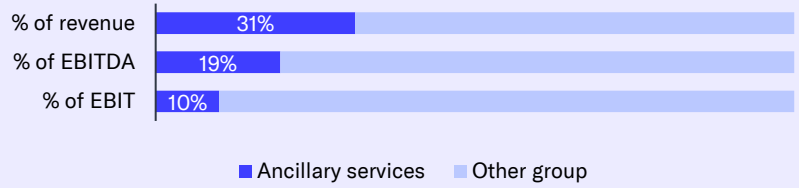
Ancillary services: revenue and adj. EBITDA-%



Profitability of ancillary services in 2025 (MEUR)**



Share of ancillary services of the Group 2026e (Inderes estimate)



*FAS figure **EBIT is Inderes' estimate. Source: Cityvarasto, Inderes

Ancillary services 2/4

Investments in ancillary services

The growth of ancillary services has required significant equipment investments. Investments in the segment totaled 3.1 MEUR in 2023 and 5.7 MEUR in 2024, as the rental van fleet tripled in 2022–2024 and van rentals expanded to 27 new locations. In 2025, investments decreased to a more normal level of 1.7 MEUR, and we do not expect a similar surge in investments unless the company expands rapidly abroad, for example. In 2026, the acquisition of Ja-Ki Muutto will account for a significant portion of investments. The company acquires used vans. We believe this is reasonable because the price of new cars depreciates relatively faster. On the other hand, this requires strong acquisition expertise, which Cityvarasto has in abundance, as evidenced by the figures. We estimate the average acquisition price of a van to be around 20 TEUR. Investments are financed by cash flow from operating activities and debt financing. The rapid pace of investment is already yielding good results, as the return on capital employed for ancillary services was, in our estimation, in the range of 14-15% in 2025.

PAKUOVELLE

Van rental business overview and service offering

PakuOvelle.com is a car rental company wholly owned by Cityvarasto Plc, specializing in the short-term rental of vans, and according to the company's management, it is the largest van rental service in Finland based on the number of vehicles. At the end of Q2'26, the fleet comprised 549 vans, and the company has approximately 260 pickup and drop-off points, a significant portion of which are located in the parking lots of Cityvarasto's self-storage facilities or major retail units. The service is currently offered in over 50 locations in Finland. The offerings consist of three van sizes, which are Big van (around 11 m^3), City van (around 6.5 m^3), and Small van (around 1.5 m^3).

Rentals, pickups, and returns are handled through an automated online store, eliminating the need for opening hours or key pickups and allowing the business to operate efficiently with a small workforce. We estimate that placing pickup points in connection with the company's own self-storage facilities will generate cost synergies while supporting cross-selling to self-storage units.

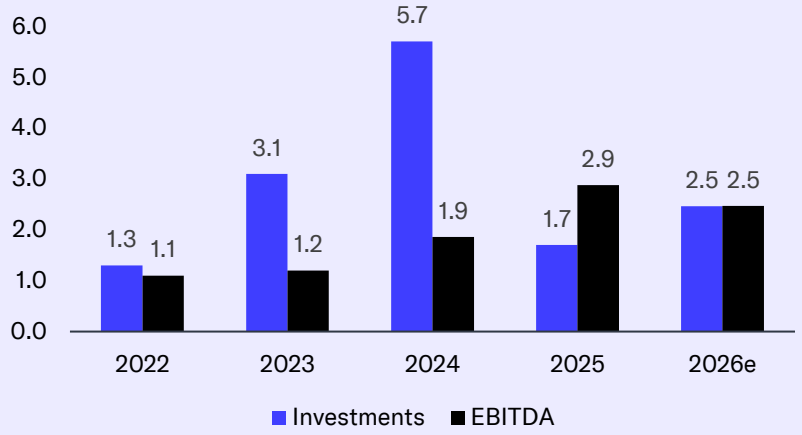
As part of its long-term growth strategy, PakuOvelle has launched preliminary investigations into expanding its van rental business to Sweden. Piloting the van rental business abroad is straightforward because, if it does not take off, the vans can be returned to Finland. According to the company, van rental is less developed in Sweden than in Finland, and the price level in Sweden is higher. This makes the market interesting.

What does PakuOvelle.com's revenue consist of?

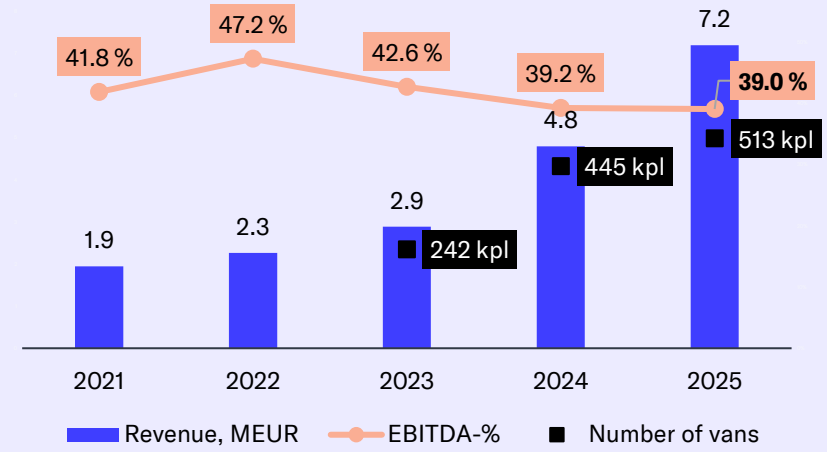
PakuOvelle.com generates revenue from short-term, transaction-based rental events, and in 2024, the company completed around 66,000 van rentals. Van rental revenue was 7.1 MEUR in the 2025 financial year (2024: 4.7 MEUR). All agreements are based on standard terms, which keeps contract management streamlined. Based on 2024 figures, the average rental transaction generated approximately EUR 72, making the business very much a volume-driven operation. Unlike the continuous rental income stream from self-storage, transaction-based revenue reacts more strongly to fluctuations in demand.

During H1'26, PakuOvelle acquired new vans to enable the launch of a longer-term leasing business, among other things. The motivation behind this is to strive to balance equipment needs throughout the calendar year. Although leasing prices are naturally lower, we see this as a sensible move given the clear seasonal fluctuations.

Investments and EBITDA of ancillary services, MEUR



PakuOvelle.com: revenue, EBITDA-% and fleet*



*FAS key figures taken from the company's financial statements

Source: Cityvarasto, Inderes

Ancillary services 3/4

Van rental business has developed very strongly

As mentioned above, the van rental business has grown substantially in recent years following the lifting of COVID-related restrictions. The company seems to have a keen sense of growth opportunities, having decided to triple its van capacity within a few years. Based on PakuOvelle.com Oy's financial statements (FAS accounting), revenue indeed grew at an average annual rate of 39% between 2021 and 2025. Although profitability (EBITDA margin) has declined by about 3 percentage points, it still stood at an impressive 39% in 2025. We reiterate that depreciation is a real cost in this business, so EBITDA provides a clearer picture of the segment's profitability than the actual result. According to our estimate, however, the EBIT margin was also at an excellent level of 23% last year. The company's key operating costs are related to its fleet. Fuel, insurance, maintenance and repairs, and vehicle taxes, along with employee and marketing expenses, constitute a significant portion of operating costs. Key factors in managing profitability include managing the size of the fleet and having an adequate utilization rate of vans and workers. Business risks are related to increasing maintenance costs of an aging fleet and possible increases in van purchase prices.

MOVING SERVICE BUSINESS

Moving service business overview and service offering

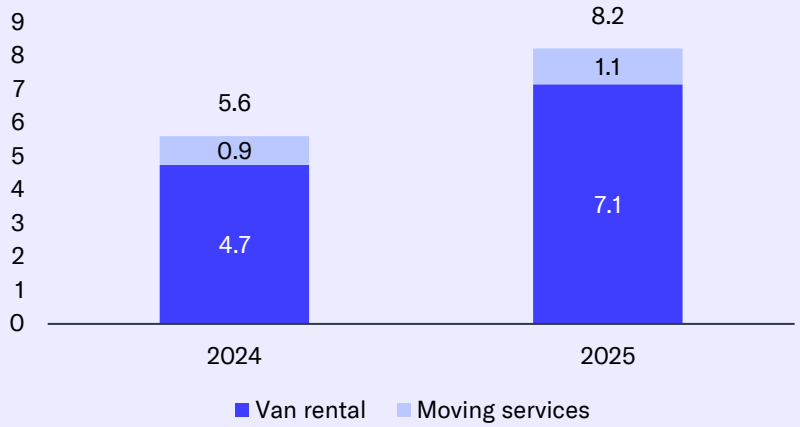
Cityvarasto's moving services consist of two main components, i.e., Opiskelijamuutot, which focuses on moving services for individuals and was acquired in 2022, and Ja-Ki Muutto, a Helsinki-based company that was acquired in January 2026 and expanded the service offering to include larger removal projects. The service offering focuses on moves for private customers and covers everything from small studio apartment movings to large detached house movings, complemented by the sale of moving and packing supplies. The company also performs corporate movings to a lesser extent.

Moving services are a key part of the company's efforts to cover the entire moving value chain, from storage and van rental to moving boxes, and their strategic goal is to attract new self-storage customers to the company. The scale of the business is still quite small, and revenue in 2025, including Ja-Ki Muutto, was around 2.1 MEUR. According to the company, the Finnish moving services market is relatively small and very fragmented, consisting mostly of single-owner operators. This also offers Cityvarasto good opportunities to continue growing the company through acquisitions. However, the moving services industry is not particularly attractive in terms of its fundamentals, which is why we see little justification for major acquisitions.

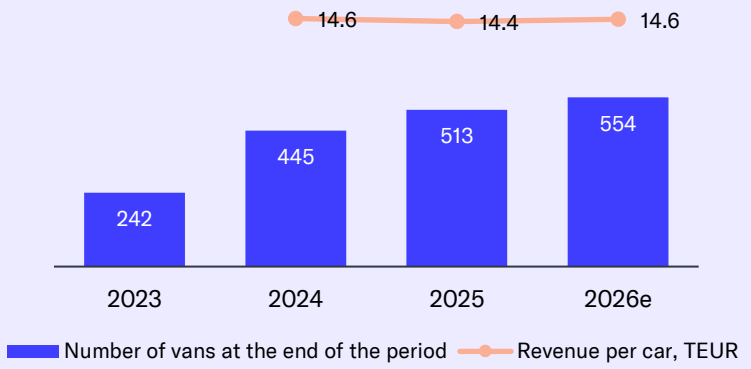
Opiskelijamuutot focuses on moving services for individuals

Opiskelijamuutot is a moving service company wholly owned by Cityvarasto that operates in Southern Finland and completed approximately 2,400 moves in 2025. The company handles a wide range of movings, from smaller studio movings to larger detached house and corporate movings, and it may also handle internal transports for Cityvarasto. The service utilizes approximately 20 m^3 vans, which are well-suited for dense urban environments and can be used with a general Finnish driving license. The company's objective is to provide high-quality yet affordable services. According to a consumer survey (YouGov, 2022), Opiskelijamuutot was the second-best-known moving company in Finland.

Ancillary services revenue breakdown, MEUR



Van fleet and revenue per van, 2023–2026e



Source: Cityvarasto, Inderes

Ancillary services 4/4

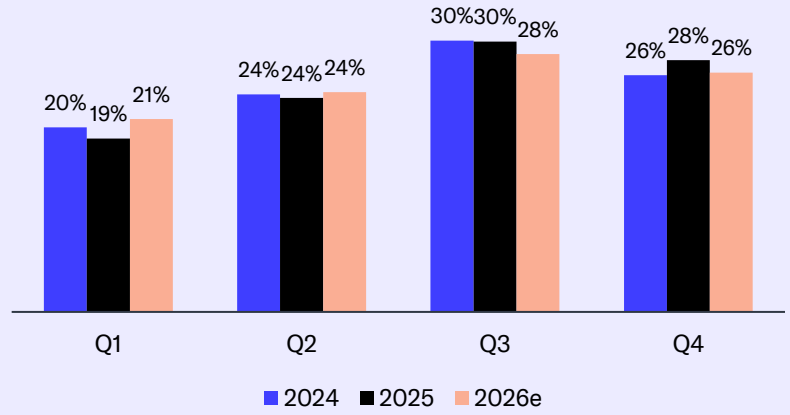
Ja-Ki Muutto opens a new frontier in the moving business

In January 2026, Cityvarasto acquired the moving services business of Helsinki-based Ja-Ki Muutto, founded in 2009, through a business transaction. Revenue from the business was around 1.0 MEUR in 2025. Its profitability is unknown, but according to our estimates, it is currently low, and Cityvarasto aims to significantly improve this area. The purchase price was not disclosed, but we estimate it to be around 0.4–0.5 MEUR. Based on our assessment, this valuation level offers good opportunities for value creation as part of Cityvarasto. Ja-Ki Muutto brought staff specializing in larger removal projects and a fleet of larger vehicles suited to such projects to the group, whose own moving operations have thus far focused on smaller moves. The acquisition is expected to generate synergies in terms of premises, equipment, and systems. From the perspective of Cityvarasto's self-storage business, relocating entire blocks of apartments is particularly interesting because residents of a building undergoing renovation may need a large number of self-storage units all at once, for example.

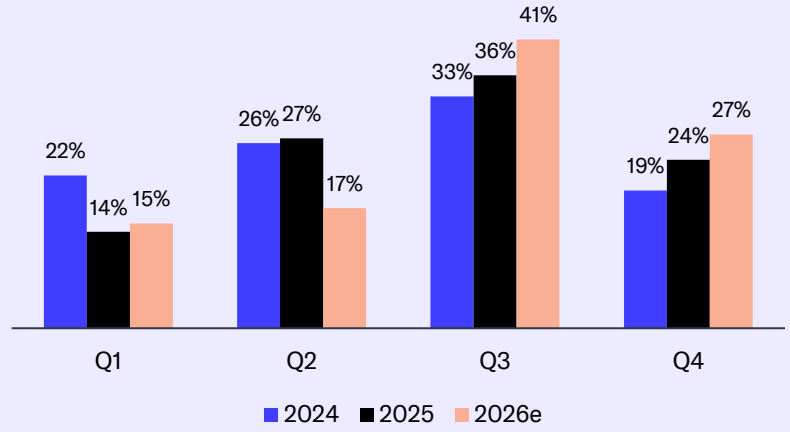
Revenue and profitability development of moving services

Revenue from moving services was 1.1 MEUR in the 2025 financial year (2024: 0.9 MEUR), meaning growth was also at a strong 25%. However, it accounted for only about 4% of the group's 27.1 MEUR revenue, and Ja-Ki Muutto roughly doubles the size. Nevertheless, the relocation business remains relatively small as a driver of the group's earnings for the time being due to its significantly lower profitability level compared to the rest of the group. While Cityvarasto does not report the profitability of its moving services separately, Suomen Opiskelijamuutot Oy's EBITDA was only about 3.4%. This may not tell the whole story about profitability, but, in any case, the more important driver of the moving business for the company is its synergies with the self-storage business. We see potential for growth and profitability in the moving business in the coming years, as Finland's economic situation may improve and the housing market may pick up.

Revenue by quarter, % of the year



Adj. EBITDA by quarter, % of year



Source: Cityvarasto, Inderes

Strategy and financial targets 1/4

Strategy in a nutshell

Cityvarasto's strategy revolves around becoming Finland's leading provider of self-storage and related services, covering the entire moving and storage value chain for customers. The company plans to grow organically by developing existing facilities, as well as by acquiring and converting new properties for self-storage use. Growth is also complemented by ancillary services, such as van rental and moving services. The core of the real estate strategy is acquiring inexpensive properties at the end of their lifecycle that already have tenants, leasing them for purposes other than self-storage, and gradually converting them into self-storage facilities over time. This ensures good return levels even during the conversion phase. The strategy's guiding principle is leveraging the company's extensive experience in converting properties to build a repeatable, scalable, technologically advanced operating model that will enable new facilities to be utilized profitably for self-storage. In our view, the strategy builds on the company's proven strengths and aligns closely with long-term growth trends in the self-storage market. The numbers speak for themselves, as the company has grown profitably at an annual rate of around 20% for the past 10 years.

Increasing the cash flow by optimizing occupancy rates and rents of the self-storage facilities

Earnings from Cityvarasto's real estate business are largely based on rental income from self-storage units, so the occupancy rate and rental levels of the facilities are central to profitability. The company plans to boost income from existing facilities by raising the occupancy rate and adjusting rents using dynamic pricing based on demand, location, and storage unit type. At the end of Q2'26, the occupancy rate for self-storage units was 83%, and the average contract rent was EUR 25.5 per square meter per month. The development has been favorable, as the occupancy rate rose from 76% at the end of 2024 to 80% at the end of 2025 and increased to 83% in Q2'26 (Q2'25: 79%), while the average contract rent has remained stable at EUR 25–26.

The occupancy rate of Cityvarasto's self-storage facilities typically increases as the facility matures, gaining recognition and a customer base. Facilities converted between 2000 and 2019 already had an occupancy rate of around 82–83% as of December 31, 2024, whereas the most recent group of facilities, converted between 2020 and 2024, had an occupancy rate of only around 68%. Better occupancy rates are reflected by double leverage in better rent levels due to dynamic pricing. In our view, as the younger facilities mature towards the level of established properties, there is clear organic upside to the occupancy rate and, consequently, to cash flow without the need for significant additional investments. However, an occupancy rate over 90% is excessive, as it is important for storage facilities to always have free capacity.

Area conversions to self-storage use in existing facilities

As part of its operating model, Cityvarasto acquires properties in central locations that are at the end of their lifecycle or underutilized and converts them for use as self-storage facilities. According to the company, there are often only a few potential buyers for these types of properties, which usually results in low acquisition prices. The company aims to acquire properties with existing tenants in order to generate rental income during the conversion phase and gradually convert the mixed-use space into self-storage units. Additionally, a recent study by the Ministry of the Environment found that the carbon footprint of the renovation option is 30 percent that of a comparable new building. Realizing the operating model requires a continuous flow of suitable properties and their conversion for self-storage use. In our view, the flow of projects will remain at a good level also in the coming years due to limited competition. The company estimates that its current property portfolio has just over 20,000 m^2 of conversion potential over the next 5 years and 11,000 m^2 in the long term. This implies a growth potential of approximately 30–48% for the current portfolio, though it's important to note that this would consume premises space at a ratio of about 1.5x.

Cityvarasto's growth strategy cornerstones

1. **Optimization of occupancy rate and rent level**
2. **Area conversions into self-storage facilities**
3. **Investments in new facilities**
4. **Business acquisitions**
5. **Growth of ancillary services**

Strategy and financial targets 2/4

Investments in new facilities

Cityvarasto aims to grow by expanding its network of self-storage facilities into new areas and strengthening its presence in existing markets. The company's financial targets are to make annual investments of around 10 MEUR and to increase the number of facilities to approximately 100 by the end of 2029 (Q2'26: 82 facilities). When selecting sites, emphasis is placed on location and areas where demand for self-storage is expected to grow. While acquiring new properties, the company also seeks those with long-term land-use development potential, such as residential use, and Cityvarasto actively participates in land-use development projects. The aim is to create (residue) value for real estate, but it is not taken into account in current property valuations.

Self-owned properties are at the core of the strategy, as over 80% of the self-storage area is located in owned properties. Of the Q2'25 facilities, 34 were on owned properties, 18 were on leased land plots, and 20 were in leased premises. Leased premises are clearly smaller properties, and more than 90% of the gross floor area is located in company-owned properties. Nevertheless, self-storage facilities operating in leased premises remain an integral part of the operating model and complement the overall offering by providing access to good locations and serving as a channel to direct customers to the company's own facilities later on. We estimate their share will remain at around 15-20% going forward.

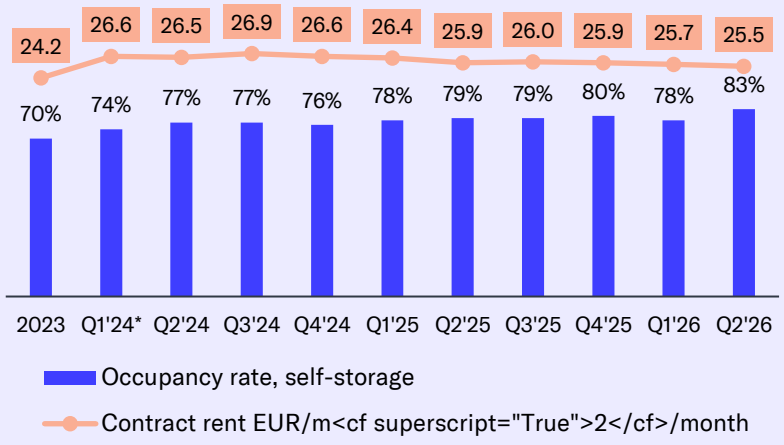
Business acquisitions

In addition to organic growth, Cityvarasto has used acquisitions to expand. During 2010–2024, the company completed a total of 20 corporate transactions and acquired 56 properties, averaging about 1–2 acquisitions per year. The company systematically seeks out acquisition targets both by scouting for them independently and by receiving proposals from potential sellers. Typically, the targets are smaller self-storage companies. Through acquisitions, the company can simultaneously acquire businesses, properties, and customer bases. According to the company, its net yield on acquisitions has exceeded 10%. It is also worth noting that acquisitions generally begin generating better returns from the outset than organic investments, whose returns improve more gradually over time. However, acquisitions also involve greater integration and pricing risks. In practice, though, we believe they can be considered virtually a substitute for real estate acquisitions. Through acquisitions, the company can increase its local market share and buy out competitors. Cityvarasto can almost always achieve better returns from acquisition targets than smaller operators with its own brand, advanced systems, and additional services.

Growth of ancillary services

Cityvarasto complements its real estate business with ancillary services, inluding van rental and moving services. In 2025, ancillary services accounted for around 30% of the group's revenue and, in our estimation, around 17% of EBIT. While their contribution to revenue and earnings accruals is significant, their strategic function is to attract customers to self-storage. These services complement each other, because the same life changes generate demand for both storage and moving. In 2024, around a quarter of customers used more than just one of the group's services. Having vans in traffic and self-storage facilities as their pickup points also provides Cityvarasto with excellent free visibility. Van rentals take place through PakuOvelle.com, Finland's largest van rental company. The company aims to expand its van rental services nationwide and increase cross-utilization of its services further. In the moving business, Opiskelijamuutot and Ja-Ki Muutto are the largest combination of private individual moving services in Southern Finland. The company also aims to increase its presence in other ancillary services (e.g., moving boxes).

Self-storage: occupancy rate and contract rent



Source: Cityvarasto, Inderes

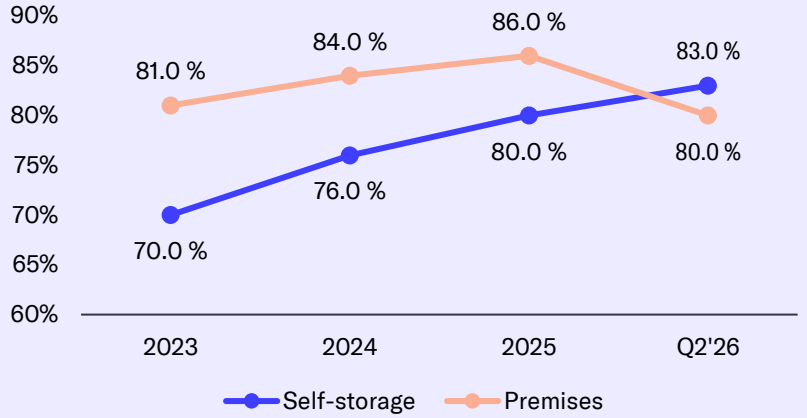
Strategy and financial targets 3/4

Financial targets 2024-2029 (end of financial year)

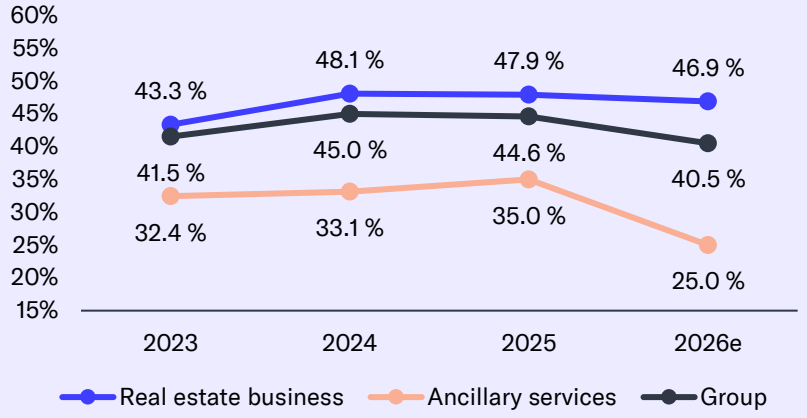
Cityvarasto's Board of Directors has adopted four key financial targets for the company for a five-year period:

1. **Growth:** Group net sales growth shall average above 12 percent annually over the assessment period.
   - This annual growth target of over 12% is ambitious and significantly faster than market growth, in our estimation. We believe that achieving this target requires good organic development, as well as the active opening of new facilities and acquisitions. The company has started the strategy period strongly, achieving an average annual growth rate of 19% in the 2024-Q2'26 LTM period. Our estimate for the average growth of the strategy period (11.7%) falls slightly below the target.
2. **Profitability:** Group EBITDA margin shall exceed 50 percent during the assessment period.
   - While an EBITDA margin of over 50% is already a relatively high target at the group level, we believe it is entirely possible due to the growth of the real estate business and the maturation of the real estate portfolio. The target is somewhat hindered by the growth of the lower-margin moving business, though its share remains small (~7% of revenue). We estimate that the real estate business has good potential for an EBITDA margin of over 55% in the long term. A margin of 35-40% is possible in ancillary services, but we believe it would be difficult to achieve the target as the moving business grows. The margin was already 44.6% in 2025, so the company is not particularly far from its profitability target. We forecast a 45.2% profitability rate in 2029 due to the increased share of the moving business.
3. **Investment:** Group investments shall average approximately 10 MEUR annually during the assessment period. Number of total self-storage facilities shall be approximately 100 by the end of the assessment period.
   - Annual investments of around 10 MEUR and a target of nearly 100 facilities signify a substantial expansion of the facility network from its current state. The investment level relative to the growth target is relatively moderate, reflecting the capital efficiency of the conversion model. We consider achieving the target realistic. Naturally, it is crucial that the profitability of investments remains good. In our opinion, this requires the positive market trend to continue. Investments have averaged 12.3 MEUR per year in the period 2024-Q2’26, which exceeds the annual target of around 10 MEUR.
4. **Leverage:** Group loan-to-value ratio shall remain below 35 percent during the assessment period.
   - A loan-to-value ratio below 35% indicates a relatively moderate debt policy. Conversely, it may also suggest that the balance sheet values of the properties are considered relatively high. According to the company, however, lenders would also be willing to finance the company with a loan-to-value ratio of 40-50%, which is otherwise quite typical in the real estate sector. Cityvarasto's financing capacity is particularly improved by its strong cash flow generation capacity. The LTV ratio was only 20% in Q2'26, so the balance sheet still offers significant leverage for financing investments.

Occupancy rates at period end



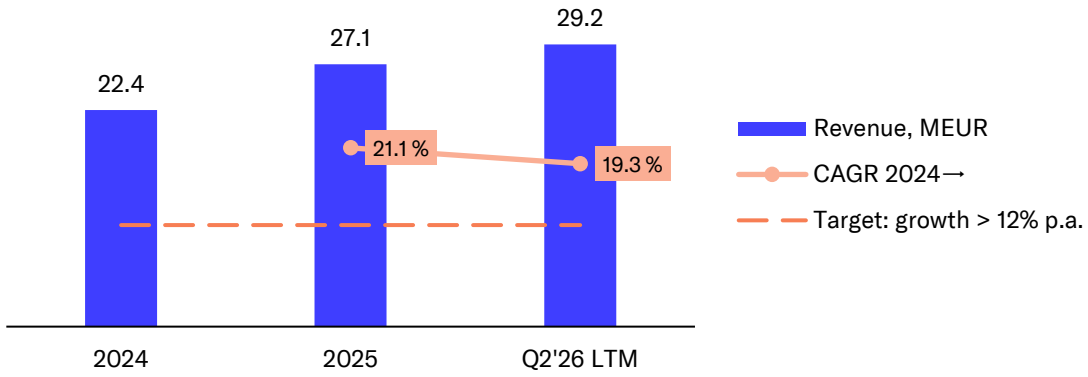
Adjusted EBITDA-% by segment



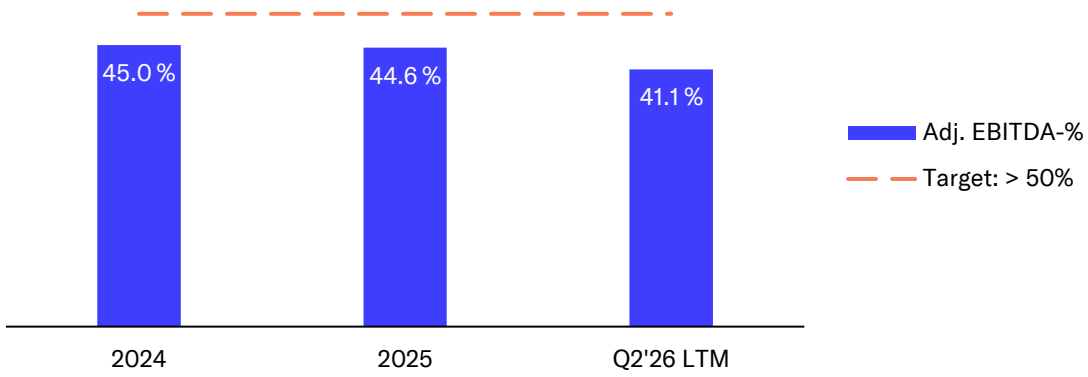
Source: Cityvarasto, Inderes

Strategy and financial targets 4/4

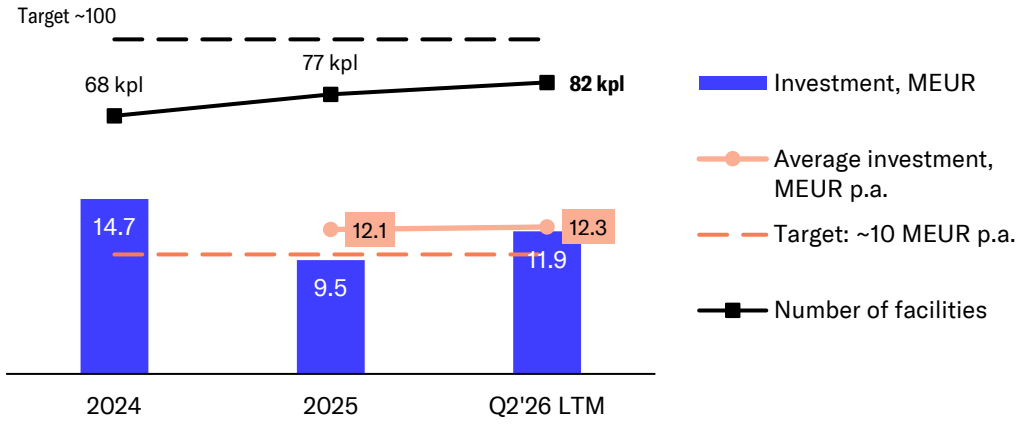
Growth: Group revenue growth averaging over 12% annually over the assessment period



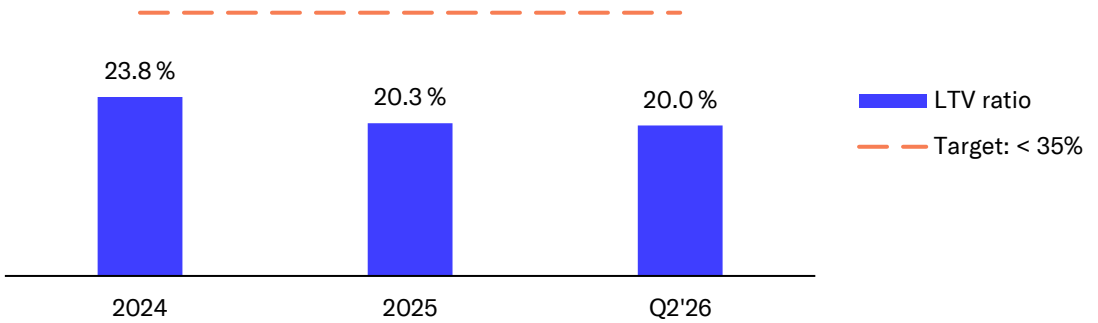
Profitability: Group EBITDA-% over 50% during the assessment period



Investment: Averaging approximately 10 MEUR annually abour 100 facilities by the end of the assessment period



Leverage: Group loan-to-value ratio (LTV) below 35% during the assessment period



Source: Cityvarasto, Inderes

Market overview and competitive situation – self-storage 1/6

Finnish self-storage market is a growth market

CBRE and FEDESSA* (hereafter "CBRE") estimate the value of the Finnish self-storage market to be approximately 47 MEUR in 2025, with an annual market growth rate of around 5.6% from 2021 to 2025. To our understanding, growth has continued to be relatively strong over an even longer period, as indicated by the approximately 20% annual growth rate of Cityvarasto, the market's largest player. The operating field is fragmented, and Cityvarasto is by far the largest player in the market. According to our estimates, Cityvarasto's market share is in the range of about 30%.

The total lettable area was approximately 220,000 square meters in 2025, and the area has grown at an annual rate of 7.5%, which is slightly faster than the growth in euro terms. According to CBRE, rapid supply growth also pushed market occupancy rates below 70% in 2022–2024, but they rebounded significantly in 2025, reaching approximately 75%. This is also quite consistent with the development of Cityvarasto, whose occupancy rate has outperformed the market in recent years (2025: 80.0%).

Finland's average monthly rent per square meter was around EUR 23.8 in 2025, marking a slight increase from the previous year. However, rent levels decreased from 2021–2023 levels of around EUR 25–26, driven by increased supply. Cityvarasto's average contract rent per square meter in Q2'26 was slightly higher than the market level (EUR 25.5).

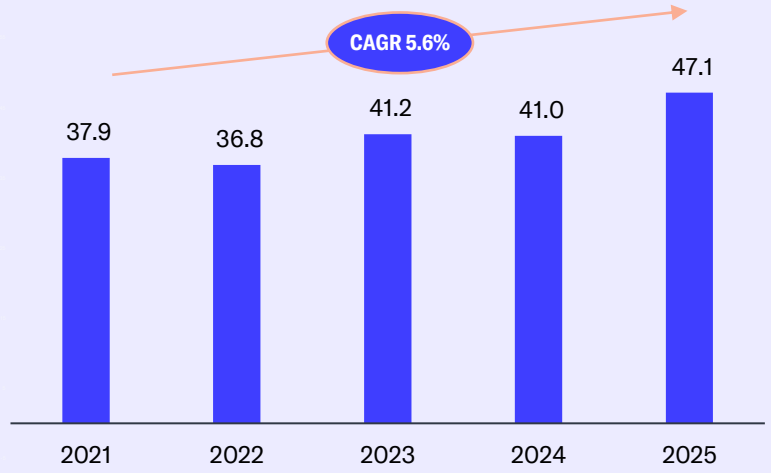
Room for growth exists relative to the other Nordic countries, but the situation is balanced compared to Europe

The Finnish self-storage market, measured by self-storage per capita, is in a relatively average stage of development in the European context (graph on page 26). Finland's self-storage penetration rate is 39 square meters per 1,000 inhabitants, which is well below the Nordic average (57) and far from levels in the United Kingdom (88) and especially the United States (567), the latter of which is in a league of its own. According to Cityvarasto, this gap highlights the industry's long-term expansion potential in Finland, and, as urbanization continues, the penetration rate is expected to steadily increase. However, when compared to the whole of Europe, the picture is more balanced, as the average self-storage area per capita in Europe is only about 0.6 times that of Finland, and Finland is roughly on par with France, Ireland, and Austria, and ahead of countries such as Germany (0.7x), Belgium (0.6x), and Southern and Eastern European countries (0.1-0.3x). In practice, only the other Nordic countries (1.3-1.7x), the Netherlands (1.7x), the United Kingdom (2.2x), Iceland (2.4x), and the United States (14.9x) surpass Finland, and penetration has increased broadly across various European countries, including Finland, in 2021-2025.

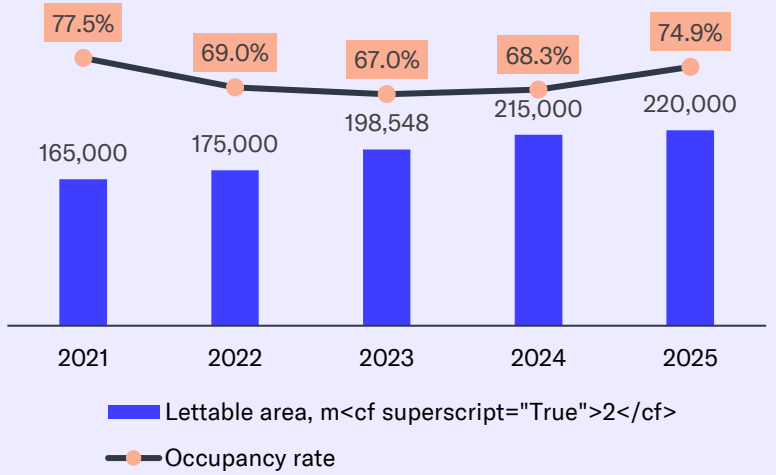
We believe the most relevant measure of growth potential is the level of the other Nordic countries since Finland is similar to them in terms of urbanization trends, housing types, and income levels. Major cities in Finland are expected to grow faster than the average European city, which will support the market. In numerical terms, reaching Sweden's level would mean storage levels approximately 30% higher than current levels, and the Nordic average would require levels nearly 50% higher, so we continue to view the structural growth potential as significant.

*CBRE, European Self Storage Industry Report 2025

Self-storage market in Finland



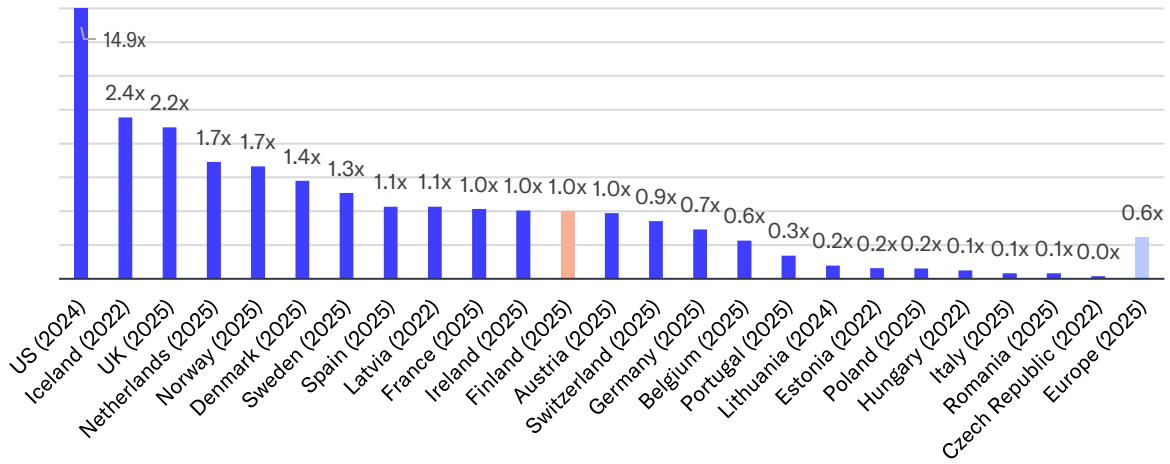
Lettable area and occupancy rates in the Finnish self-storage market



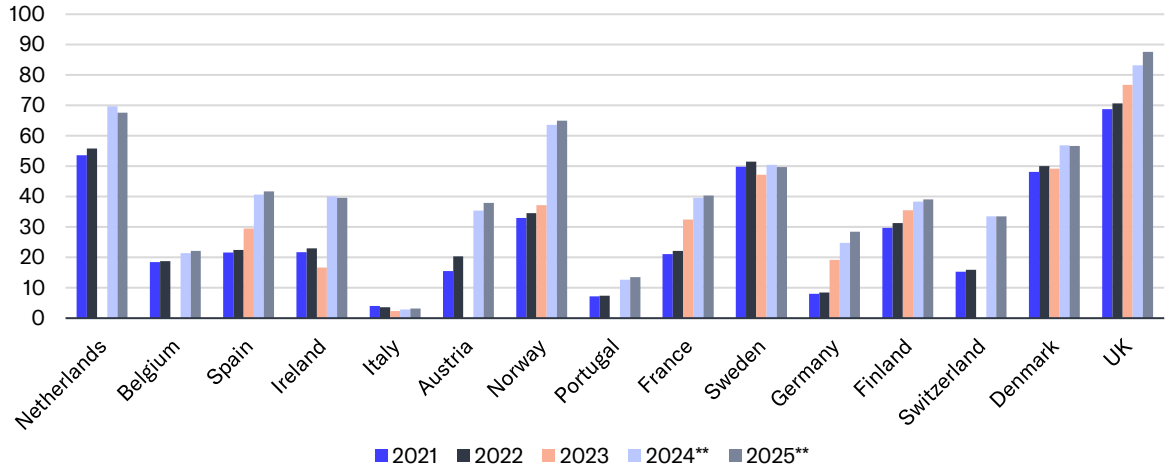
Source: FEDESSA & CBRE, Inderes

Key figures for the European self-storage market

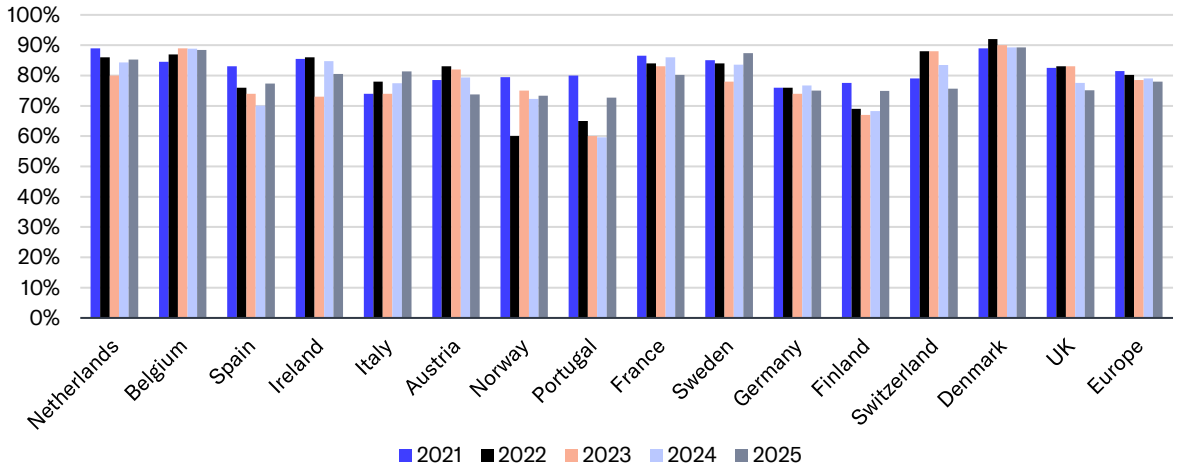
Most recent self-storage m² per capita (relative to Finland)



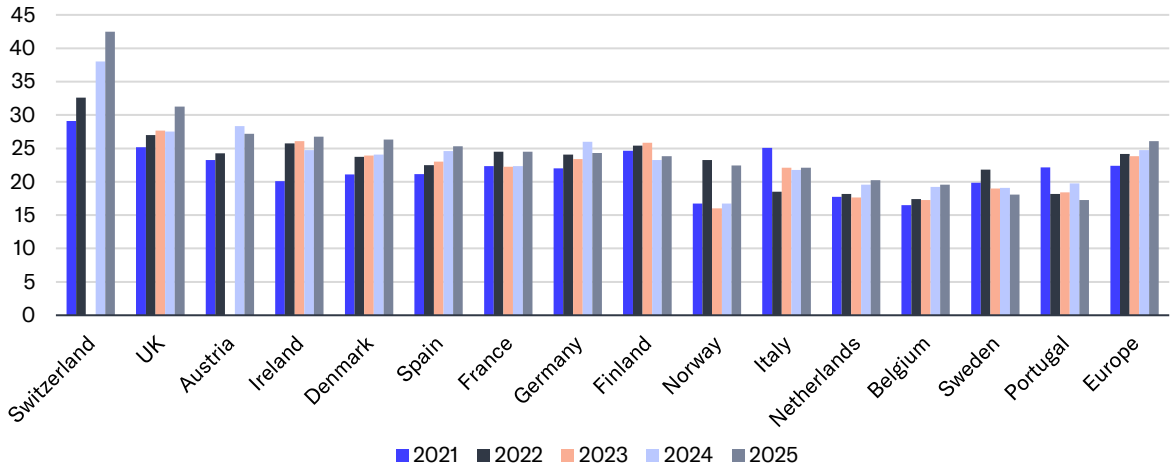
Self-storage m² (x100) per capita 2021–2025



Self-storage occupancy rates by country 2021–2025



Average rents by country 2021–2025, EUR/m²/year



Source: FEDESSA & CBRE (European Self Storage Industry Report 2025), Inderes

Market overview and competitive situation – self-storage 3/6

Demand drivers for self-storage are structural and largely independent of economic cycles

The self-storage demand is particularly driven by significant life events that lead individuals to seek additional space. These include moving, home renovations, entering into a relationship or separation, starting a family, inheritance, space-intensive hobbies, and changes in business operations. These events are structural and recurring in nature, and the associated cyclicality is relatively low. From the customer's perspective, the fundamental reason for the demand for self-storage is that it is an affordable alternative for additional space in a dense city. Currently, self-storage accounts for approximately 3% of yearly housing expenses, and in the Helsinki metropolitan area, a 4 m^2 storage unit (around 1,200 EUR per year) costs roughly the same as a corresponding amount of additional rented apartment space. The customer base largely consists of private individuals, who account for about 88 percent of customers in Finland. Elsewhere in Europe, the share of business customers (33%) is significantly higher, on average, than in Finland. This share had been trending upward, but it began to decline in 2025 amid a weaker economic climate.

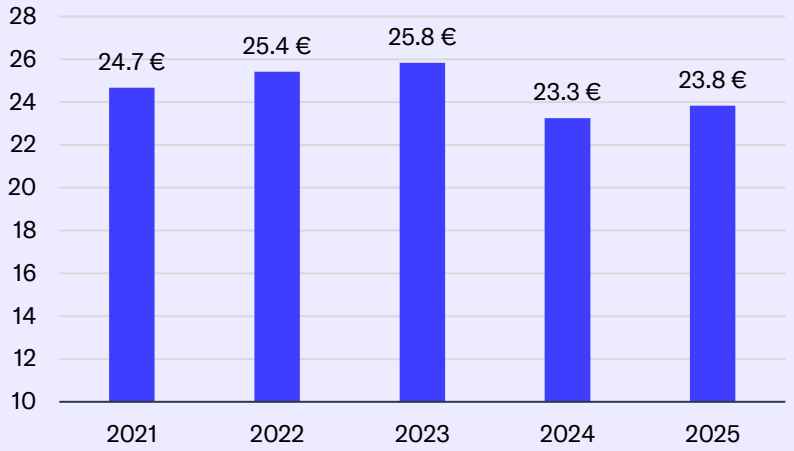
"4Ds" create a stable demand base

The foundation of demand in the self-storage industry can be summarized by the four Ds. In Finland, approximately 12,000 divorces and 62,000 deaths occur annually, in addition to which there are about one million residential removals ("dislocations") each year. The fourth driver, downsizing, particularly affects pensioners and empty-nesters, making a move to a smaller home relevant. It is also important to note that a temporary need arising from a life event often becomes permanent. According to market analysts, the average self-storage holding period is 8.7 months in Finland and 10.2 months in Europe. Cityvarasto has not reported this figure, but at the time of listing, the company's average term of rental agreements was 27 months. It is worth noting that this is a different figure, which includes only existing rental agreements. In fact, long-term customers often renew their contracts out of practicality and habit.

Megatrends support long-term growth

Cityvarasto itself highlights four megatrends that support the market, which we easily endorse. The first is urbanization. The population of the Helsinki metropolitan area is estimated to grow by around 130,000 residents by 2040, and the population growth estimates for the Helsinki metropolitan area (21%), Tampere (19%), and Turku (14%) for 2025-2040 exceed those of most major European cities, such as Oslo (13%) and Stockholm (12%). Second is the decrease in household size. The average size is estimated to decrease from 1.97 persons to 1.89 people by 2045, which would translate to approximately 370,000 new households. Third is the aging population. The number of people over 65 is expected to grow by around 200,000 (+15%) and those aged 40-65 by around 300,000 by 2040, which, combined with smaller apartments, increases the need for storage space for accumulated belongings throughout a lifetime. The fourth factor is housing constraints. The average size of newly built apartments has decreased by 9% in Helsinki, 13% in Espoo, and 10% in Vantaa when comparing apartments built in 2015-2019 and 2020-2024. Meanwhile, apartment prices in growth centers have risen significantly faster than in the rest of Finland (Helsinki, Turku, and Tampere +22% vs. Finland overall +3% since 2010). Additionally, the ever-increasing abundance of goods and people's growing willingness to pay for services are trends that, in our opinion, support self-storage.

Average rent (EUR/m^2/month) in the Finnish self-storage market



Market changes and the factors driving them

- → Urbanization and the concentration of housing in large cities
- → Decrease in apartment floor area, thus reducing storage possibilities
- → Households' abundance of goods
- → Decrease in average household size and increase in the number of households
- → Aging population

Source: FEDESSA & CBRE, Inderes

Market overview and competitive situation – self-storage 4/6

In a fragmented competitive landscape, Cityvarasto is the clear leader

The Finnish self-storage market has a fragmented structure because the field consists mainly of small, local companies, with only a few larger national or regional ones. Cityvarasto is clearly the largest player in the market in terms of both the number of facilities and geographical coverage (Q2'26: 82 facilities in 30 cities, including the ones under construction), and it is Finland's only nationwide self-storage chain. According to our estimates, Cityvarasto's market share is in the range of about 30%. The most significant competitor is the Nordic company Pelican Self Storage, which operates in Denmark and Sweden in addition to Finland. However, 15 of its 16 Finnish locations are in the Helsinki metropolitan area. There is a significant difference in size between the top players and those just below them. The number of facilities between the third and eleventh largest companies ranges from 11 to two, in addition to numerous companies in the market with 1-2 facilities.

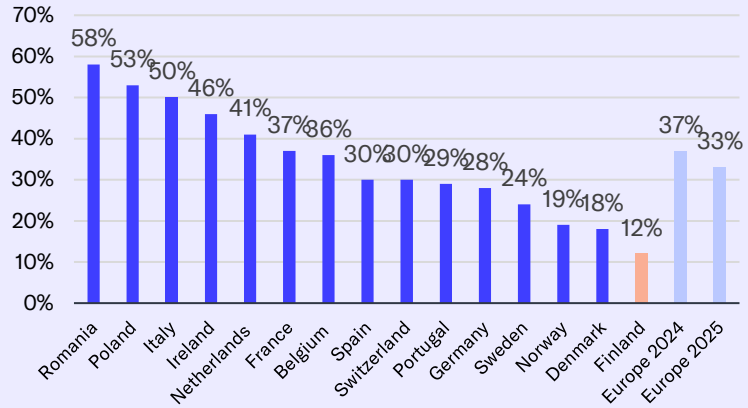
Apart from Pelican, there are no other major European self-storage providers operating in Finland, which has contributed to the growth and strong market position of domestic providers. In our opinion, Cityvarasto and Pelican clearly stand out among the operators with their branding and digital capabilities. Pelican is the only major player whose property portfolio consists mostly of newly built buildings. Other players, like Cityvarasto, have mainly acquired existing buildings at the end of their life cycle. However, unlike Cityvarasto, they do not have a unified, distinctive brand for their facilities. We believe that Cityvarasto's ability to efficiently develop properties is one of its competitive advantages compared to Finnish operators. In our view, Cityvarasto faces competition on a comparable scale mainly in the Helsinki metropolitan area, while elsewhere in the country, it primarily competes with small, local players. The fragmented competitive landscape also naturally forms a pipeline of acquisition opportunities for Cityvarasto, which the company has historically capitalized on with an average of 1–2 acquisitions per year.

Location, price, brand awareness, and digital customer journey determine success in the competition

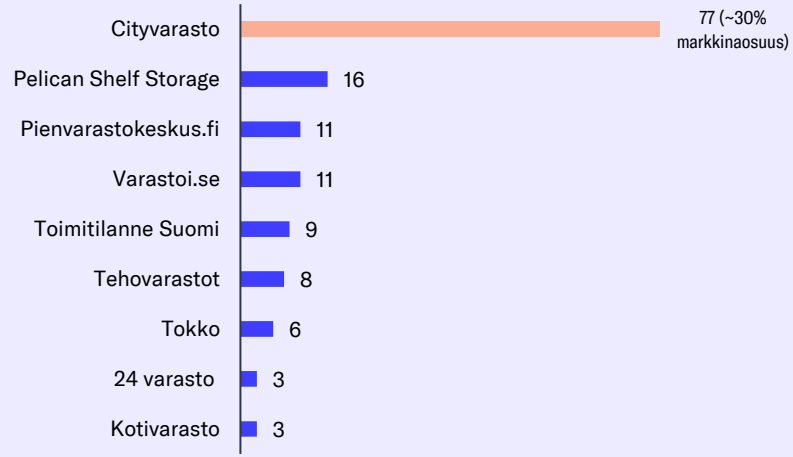
In the self-storage industry, competition is based primarily on location, price, brand recognition, and ease of service. Competitors can attract customers with lower prices, better locations, or superior services, and local conditions play a significant role, particularly in pricing. Today, digital visibility is also an important competitive factor, focusing on brand awareness, long-term brand building, and e-commerce capabilities.

Cityvarasto's strengths include the industry's only nationwide network, a well-known brand, and locations in growth centers with good transport connectivity. The company's brand awareness is bolstered by its fleet of over 500 company-colored vans. In addition, the company has an almost entirely autonomous digital customer journey, where rentals, contracts, and access management are handled online and via mobile devices. In our assessment, location is the single most important competitive factor in this industry because storage facilities are usually chosen close to home or work, meaning competition occurs at the local micromarket level. A digital, low-staff operating model, in turn, reduces unit costs and also makes serving smaller localities profitable, in our view.

Percentage of leased space accounted for by business customers (estimate)



Number of facilities of self-storage companies



Source: FEDESSA & CBRE, Inderes

Market overview and competitive situation – self-storage 5/6

Barriers to entry protect established operators

The self-storage market is characterized by several barriers to entry. Economies of scale favor large players that can invest in automation and digital platforms. These improve operational efficiency and the customer experience, and the ability to offer consistent, high-quality service across locations strengthens customer loyalty. Brand image is particularly important because customers store their belongings in the company's premises, so trust and brand awareness are prerequisites for a strong market position. In our opinion, Cityvarasto has an excellent brand awareness compared to its competitors. According to an external study (Q1'26), Cityvarasto's aided awareness is the highest in the Finnish industry (57% vs. 39% for the second-ranked operator), and its spontaneous awareness has almost doubled in four years.

Furthermore, the sector requires deep local market knowledge, particularly in the sourcing, evaluation, and conversion of suitable properties. According to the company's assessment, a competitor would need significant financial resources to match Cityvarasto's facility network and brand awareness. In our view, intensifying competition, for example through acquisitions or extensive new construction, is still one of the key risks. We believe that the leading competitor, Pelican Self Storage, particularly, could become an even stronger competitor to Cityvarasto if it were to pursue more aggressive expansion or be acquired by a major European operator.

Urban zoning limits supply in areas where demand is highest

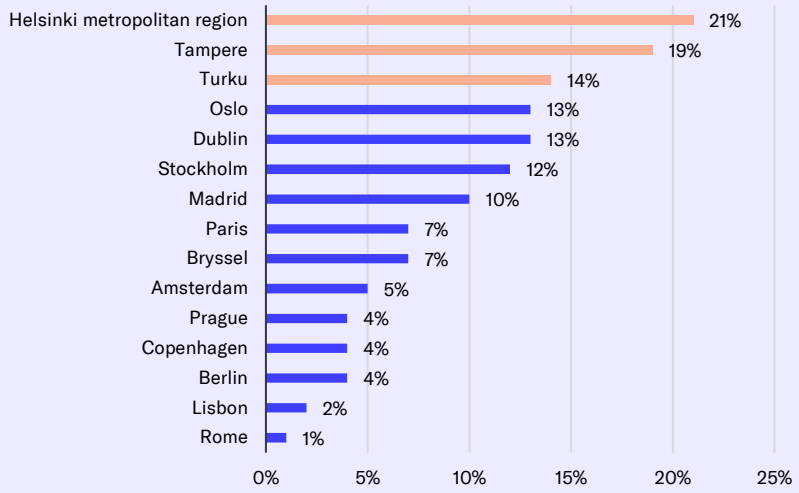
According to Cityvarasto, municipalities tend to favor mixed-use developments over self-storage when allocating land, creating a structural supply-demand imbalance. These constraints are most acute in densely populated areas, where demand is strongest yet land availability is lowest. Furthermore, new-build operators face uncertainties related to urban development, such as zoning approvals and delayed consumer uptake during the initial phase, which increase the investment threshold. Cityvarasto has responded to this imbalance with its conversion model, converting underutilized properties into self-storage facilities, which provides access to established locations without the need for new construction. In our view, the scarcity of zoning benefits Cityvarasto in two ways due to its dominant position. It curbs the emergence of new competing supply in the most sought-after areas, while simultaneously supporting the occupancy rates and value of the company's existing facilities.

Transaction market boasts strong performance in recent years

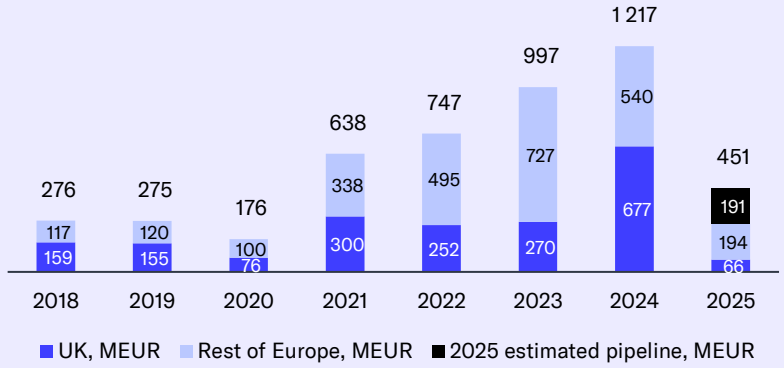
Transaction volumes in the European self-storage sector have multiplied in just a few years. According to CBRE and FEDESSA, transactions amounted to just under 200-300 MEUR per year in 2018-2020, until the volume increased around 3.5-fold in 2021 from the previous year, reaching around 650 MEUR. Growth continued in 2022 (around 750 MEUR) and 2023 (around 1 BEUR). In 2024, the culmination saw transactions totaling 1.2 BEUR, as listed REITs actively acquired large private and listed operators, despite the fact that interest rates had already risen significantly.

Year 2025 has been significantly slower because the first-half volume was about 260 MEUR, and the full-year total is expected to be around 450 MEUR. Analysts say economic and trade policy uncertainty has delayed several large sales processes (e.g., Storage24, Less Mess, and Access Self Storage, with a combined value of around 2.5 BEUR). Despite this, the sector continues to attract new institutional capital, and CBRE anticipates that transaction volumes will stabilize in 2025–2026, with major corporate transactions returning to the market in 2026–2027 and potentially pushing volumes beyond one billion euros once again.

Population growth estimates 2025–2040



EU self-storage investment volumes (MEUR)



Source: FEDESSA & CBRE, Inderes

Market overview and competitive situation – self-storage 6/6

Several privatizations of listed companies have also occurred during the period. In 2021, Nuveen/TIAA acquired the publicly traded Swedish company 24 Storage (for around 1.2 BSEK), and in 2023, they took the Norwegian Self Storage Group private. Shurgard's latest acquisition of a publicly traded company was its purchase of the British Lok'nStore in 2024 for an enterprise value of approximately 473 MEUR. Tender offers have taken place at fairly high valuation levels. 24 Storage's LTM EV/EBITDA was very high due to its low profitability during the zero-interest rate boom. At the time of acquisition, the highly profitable Self Storage Group had an EV/EBITDA of 20.6x, while Lok'nStore's was a very high 27.5x. In our view, these valuation multiples also support Cityvarasto's valuation to some extent.

According to CBRE, valuation levels have generally remained strong. In 2023, the required return for prime targets in major European cities was 5.0–5.5%, in 2024 mature, high-quality properties changed hands at EV/EBITDA multiples of approximately 20–21x, and the Nuveen and Safestore EasyBox deal (175 MEUR) in Italy, a market in the early stages of development, was priced at about 27x EBITDA for the next 12 months.

New-build production is slowing down from record levels. In FEDESSA's sample survey, the number of projects in the development phase (excl. the UK) decreased from approximately 480 to around 220 in 2025. According to operators, finding suitable properties has become more difficult and permit processes have lengthened. Operators' main concerns relate to plot costs and zoning difficulties, while oversupply is not considered a significant problem.

Sector consolidation likely to continue in the future

Given the aforementioned reasons that protect established players, we believe that consolidation in the sector is likely to continue. In our view, this could be a key factor in Cityvarasto's investment story as well. In addition to the company's likely continued acquisitions of smaller companies in Finland, we also view Cityvarasto as an attractive acquisition target for major European companies. As previously mentioned, due to the company's strong market share, we estimate that establishing a competing business in Finland from scratch would be costly and time-consuming. Combined with the market's strong long-term drivers, this could make acquiring Cityvarasto attractive to major players, even at a higher price.

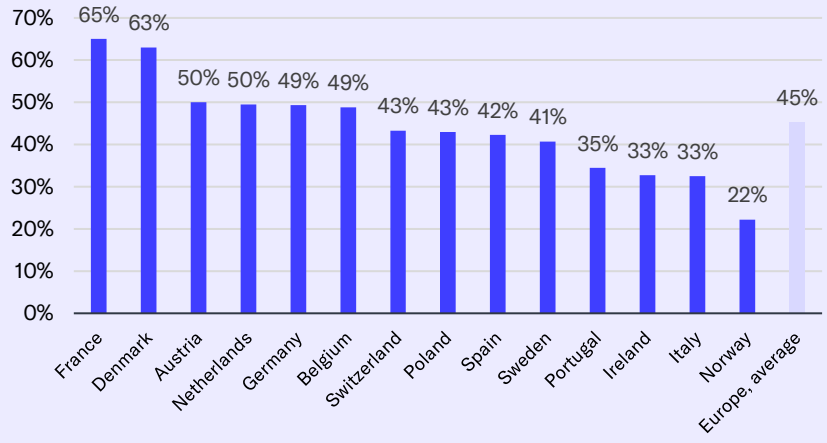
Wide variation in profitability assumptions across European countries

In FEDESSA's industry survey, European self-storage operators estimated their mature facility-level EBITDA margin to be 45% of revenue on average. This figure represents a facility's earnings before group administration costs, interest, taxes, and depreciation. However, there are significant differences between countries. France (65%) and Denmark (63%) are at the top, while the estimate for Norway, for example, is only 22%. In more mature markets, estimates are generally higher, though the report states that profitability estimates do not clearly correspond to market size or level of consolidation. Cityvarasto's real estate business had an adjusted EBITDA margin of around 48% in the 2025 financial year. Thus, the segment's profitability already exceeds the average profitability assumption of European players. Comparable facility-level profitability in the mature phase is also clearly higher than this, and, unlike the survey figure, the segment figure also includes administrative costs and lower-margin commercial properties. While this underscores Cityvarasto's strong profitability, it also highlights the higher profitability levels of larger players.

Latest self-storage companies bought out of the stock exchange

Key indicator	Nuveen/TIAA → Self Storage Group ASA	Shurgard → Lok'nStore Group plc
Publication date	09/20/2023	04/11/2024
Revenue (LTM, MEUR)	35.5	32.4
EBITDA (LTM, MEUR)	20.4	17.3
EBITDA-% (LTM)	57.5%	53.3%
Market value (MEUR)	329	442
Enterprise value (MEUR)	421	475
EV/EBITDA (LTM)	**20.6x**	**27.5x**
Premium to previous closing price	66.7%	15.9%
Premium to 6-month VWAP	65.3%	41.2%

Operators' EBITDA expectations (estimate)



Source: Companies, Inderes, FEDESSA & CBRE

Market overview and competitive situation – premises

In the commercial premises market, Cityvarasto primarily competes on low prices

Cityvarasto's premises have a wide range of users and property types. In the commercial premises market, Cityvarasto primarily competes on low prices. We believe this is a justified competitive strategy because the premises primarily serve as an intermediate stage before conversion into self-storage units. This is also supported by the company's low investment costs, which we estimate will maintain reasonably good net profit levels at current occupancy rates (Q2'26: 80%). Additionally, we believe Finland's weak economic situation and companies' need to save money support the company's low-price commercial premises strategy relative to its competitors. However, it is important to note that, in the long term, positive developments in the Finnish economy and employment rate are among the key drivers of the commercial premises segment as well.

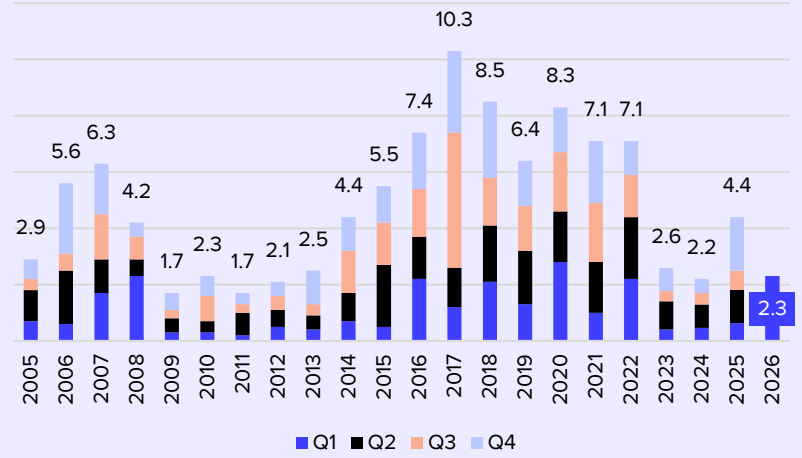
Finnish real estate market has been modest in recent years

Industrial properties, which are central to Cityvarasto, have been the star sector in terms of returns in recent years, as measured by the KTI Property Index. According to KTI, the required net return on Aviapolis's high-quality industrial facilities was approximately 6.2% in the spring of 2026. The Rakli-KTI Commercial Property Barometer indicates that rental expectations for industrial space have been positive in all major cities since 2021 and, while expectations have moderated from peak levels in 2021–2022, they have remained positive. Rents are not expected to fall in any city, and the vacancy rate is projected to remain unchanged throughout Finland in the near future.

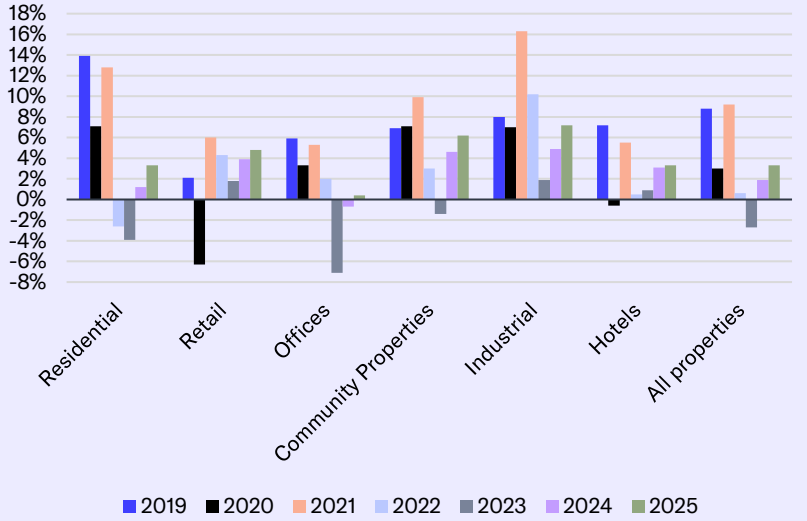
At the market level, vacancy rates in the central office areas of the Helsinki metropolitan area have continued to rise, averaging 18.3%, according to the Helsinki Research Forum. There is a significant difference between high-quality and low-quality office spaces, as the vacancy rate for Grade A office spaces (21% of the survey sample) was 9.3%. The vacancy rate for the entire Helsinki metropolitan area bottomed out in 2022 at around 12%, after which it has steadily increased.

Real estate transaction volumes have been subdued in recent years, although large residential transactions have recently increased them again. In particular, office transaction volumes are currently at historically low levels. Industrial facilities, which are central to the company, have seen growing volumes in recent years, though they declined in 2025 following a period of strong growth. We believe that the sluggish transaction market is a positive development for Cityvarasto because it provides the company with better buying opportunities.

Real estate transaction volume in Finland (BEUR)



Total returns by property type (KTI)



Source: KTI

Market overview and competitive situation – ancillary services

Van rental is a larger but more competitive market than core business, and PakuOvelle is gaining market share

PakuOvelle.com operates in the Finnish car rental market, which, according to Statista, is estimated to reach approximately 165 MEUR in 2025 (+3% from 2024). Based on Cityvarasto's estimate, PakuOvelle.com is the largest van rental service in Finland based on the number of vehicles. We estimate that barriers to entry in the car rental industry are relatively low, as anyone can acquire a fleet and operate a rental business through third-party platforms. However, building a significant and profitable business requires capital, as well as investment in one's own platform. We believe the key competitive advantages of PakuOvelle include synergies with the self-storage network, such as pickup points located at facilities, an automated online store, a unified brand, and efficient cross-selling of services.

The expected growth of the car rental market is moderate. PakuOvelle has grown extremely strongly in recent years, which we estimate has allowed it to gain a significant market share.

Moderate growth in the fragmented moving services market, with room for growth in the increasing popularity of paid services

According to Cityvarasto, the moving services market for private individuals in Finland is relatively small, which can be attributed to the low penetration rate of paid services. The market is very fragmented and mainly consists of single-owner companies. Opiskelijamuutot's most significant competitors include Niemi Services and Martela, which primarily focus on corporate moving services, however. Demand is driven by population growth, urbanization, and general moving activity, with around one million residential removals taking place in Finland every year. We believe that the low baseline penetration rate of paid moving services among private individuals offers some structural growth potential, assuming the use of paid moving services becomes more widespread as urbanization and population aging progress. Furthermore, it seems to us that younger age groups are more willing than before to pay for moving services. While there are many acquisition targets on the market, many of these companies rely heavily on a few key individuals, making them less attractive as potential acquisitions.

However, competition in both ancillary markets is fiercer and more price-driven than in self-storage, and these segments' primary role (particularly moving services) is to support the core business. In addition, the clear synergies between self-storage and ancillary services make the sum of the parts greater than the sum of the individual services.

Ancillary services in brief

9.9 MEUR
(+20% vs. 2025)
Ancillary services revenue 2026e

+38%
Segment's average revenue growth in 2022-25 (mostly organic)

Car rental market in Finland as a whole



Market size approximately 165 MEUR in 2025 (+3% y/y). PakuOvelle has gained significant market share in recent years.

PakuOvelle is the largest van rental company in Finland, with a revenue of 7.1 MEUR; the majority of the market consists of other car rentals.

Supporting trends: urbanization, the increasing prevalence of car-free households, and the growth of e-commerce and secondhand trade.

Moving services



Fragmented market of small players. The most significant competitors are Martela and Niemi Services.

Approximately 1 million residential removals take place in Finland annually.

Room for growth as paid moving services become more widespread. The primary role is to support the self-storage operations.

Primary role of ancillary services:
To support the core business



Pickup points at the facilities, a shared brand (free marketing) and cross-selling of services

Investment profile

1. **Clear market leader with a market share of around 30% in the structural growth market for self-storage**
2. **Highly profitable and steady real estate business, supported by strong synergies from highly profitable van rentals and less profitable moving services**
3. **Ability and opportunities to invest in self-storage units at around 15% return using the company's conversion model**
4. **Strong investment phase and moving services weigh on profitability and return on capital in the short term**
5. **An entrepreneurial company whose ownership is highly concentrated with the founder/CEO**

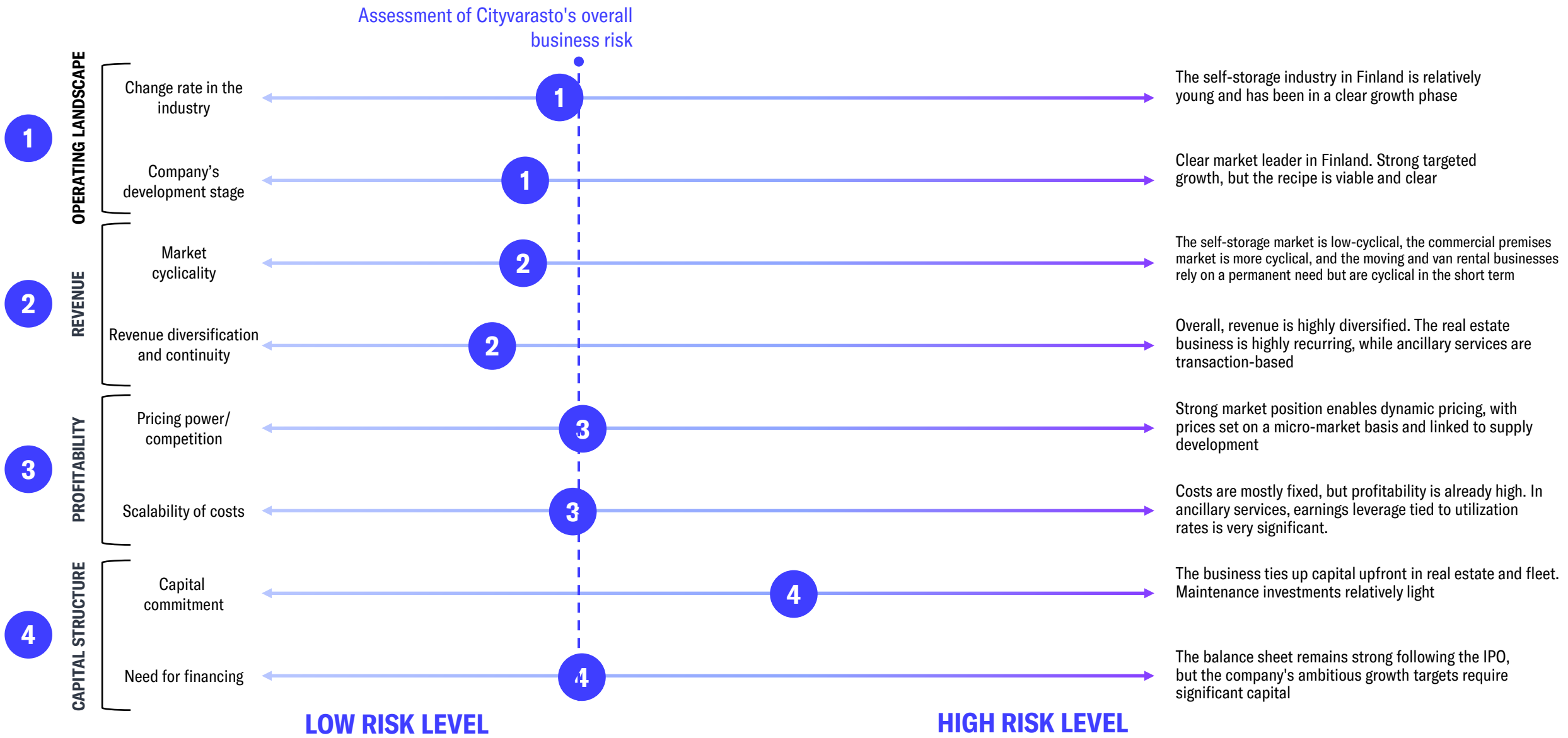
Potential

- Continued strong market growth
- Ability to continue investing by acquiring new properties and making acquisitions at an attractive 15% return level
- Conversion potential of the current premise portfolio
- Attractive acquisition target for large foreign operators
- Full realization of business synergies and cross-selling potential
- Recovery of the Finnish economy and housing market

Risks

- Tighter competition
- Weak Finnish economic development
- High key person risk
- Highly concentrated ownership
- Ongoing strong investment phase
- Continued rise in interest rates

Risk profile of the business model



Financial position 1/3

Balance sheet is concentrated, as is typical for a real estate investment company

Cityvarasto's balance sheet total for Q2'26 was 243.8 MEUR, approximately 87% of which consisted of the fair value of its freehold investment properties (212.3 MEUR). Other relatively significant items were investment properties held under lease agreements (9.1 MEUR) and tangible assets (10.5 MEUR), which consist almost entirely of vans and moving equipment. The book value of the vans was 8.8 MEUR in Q4'25, and they are depreciated over 10 years. Intangible assets accounted for only 2.5 MEUR on the balance sheet, despite Cityvarasto's numerous acquisitions. Real estate acquisitions do not generate many intangible assets because purchase prices are largely based on the value of the properties. Cityvarasto capitalizes IT development costs (e.g., online store development), but their share is small.

Liquid assets were 6.3 MEUR, of which 5.8 MEUR was invested in liquid fund investments pending future investment opportunities. Following the IPO, total equity was 156.3 (133.2) MEUR and the equity ratio was 64.1 (60.4)%.

At the end of Q2'26, the net asset value (NAV) was 187.1 MEUR, or EUR 23.43 per share (+2.0% vs. Q2'25). The company calculates NAV as the sum of equity and deferred tax liabilities related to freehold investment properties (2025: 30.5 MEUR). This is the standard way to calculate NAV in the real estate sector (EPRA guidance). Investors should note that this difference would be eliminated in the event of a property sale, meaning NAV does not reflect the liquidation value of the business.

Low LTV provides leeway for growth investments

At the end of Q2'26, financial institution borrowings amounted to 42.5 MEUR, and interest-bearing net debt, excluding IFRS 16 liabilities, was 36.2 MEUR. The loan-to-value (LTV) ratio, or the ratio of interest-bearing debt to freehold investment property, was 20.0% (Q2'25: 23.5%), while the company aims to keep it below 35%. The LTV ratio is low for a real estate company. However, loan-to-value ratios are often lower for self-storage companies than for real estate companies. Major European peers' LTV levels are around 13–32%.

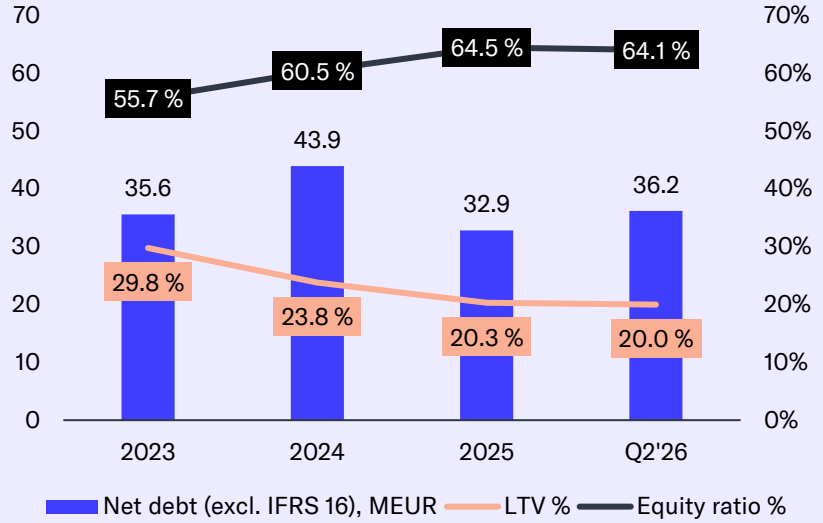
In any case, Cityvarasto's current LTV ratio offers significant investment capacity. We estimate that the company's financing availability has also improved in recent years due to growth in size, good profitability and cash flow, and the listing. We particularly find this to be true in relation to the rest of the real estate sector, where LTV levels have clearly decreased and financing availability has weakened following the rise in interest rates. According to our estimates, there is room for around 32 MEUR relative to the company's 35% LTV target with the current real estate portfolio. Considering the liquid investments of approximately 6 MEUR and the operating cash flow in 2027–2029, we estimate the investment capacity to be around 67 MEUR and approximately 100 MEUR when considering the debt capacity for new targets. This thus covers several years of the annual investment target of around 10 MEUR without new equity.

The company's loan covenants are tied to the equity ratio, LTV ratio, and coverage ratio. The company has complied with these conditions in all reported periods. While the company has not disclosed the covenants, it has commented that they are typical for the real estate sector. The company's rolling 12-month coverage ratio for Q2'26 was 4.7x based on EBITDA or 5.2x based on adjusted EBITDA. This is still well above the typical 1.5–2.0x range in the real estate sector.

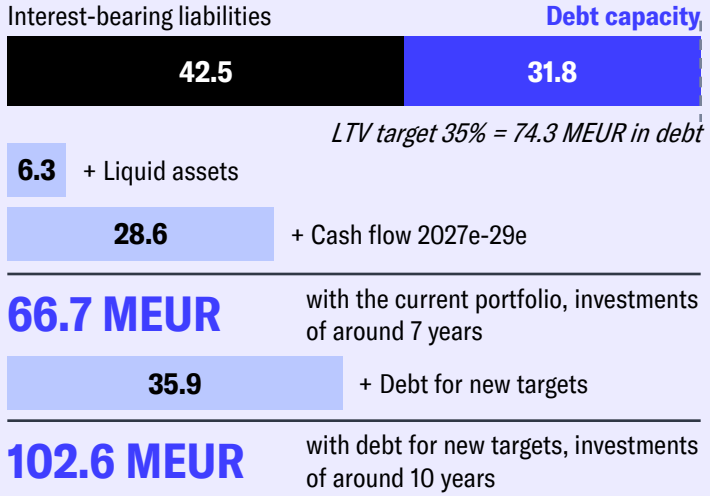
Cityvarasto secures loans at a good price

At the end of the 2025 financial year, the average interest rate on financial loans was 3.8%, down from 4.5% in 2024 as the company had paid off higher-interest loans with IPO proceeds. For comparison, Lumo Homes, Finland's largest residential investor, had an average interest rate of 3.2% in Q4'25, while residential investor Asuntosalkku had an average interest rate of 4.3% in March 2026. There is still upside in Lumo Homes' average interest rate due to long-term hedges. Since residential investors are among the lowest-risk companies in the sector, it is reasonable to assume that Cityvarasto can secure loans at competitive rates. Of the company's loans, 88% (2024: 63%) were floating-rate loans linked to Euribor and 12% were fixed-rate loans. A one-percentage-point change in the interest rate would affect earnings before taxes by approximately 0.4 MEUR, which is only about 3% of the adjusted EBITDA for the 2025 financial year or 6% of the adjusted operating earnings.

Net debt and leverage



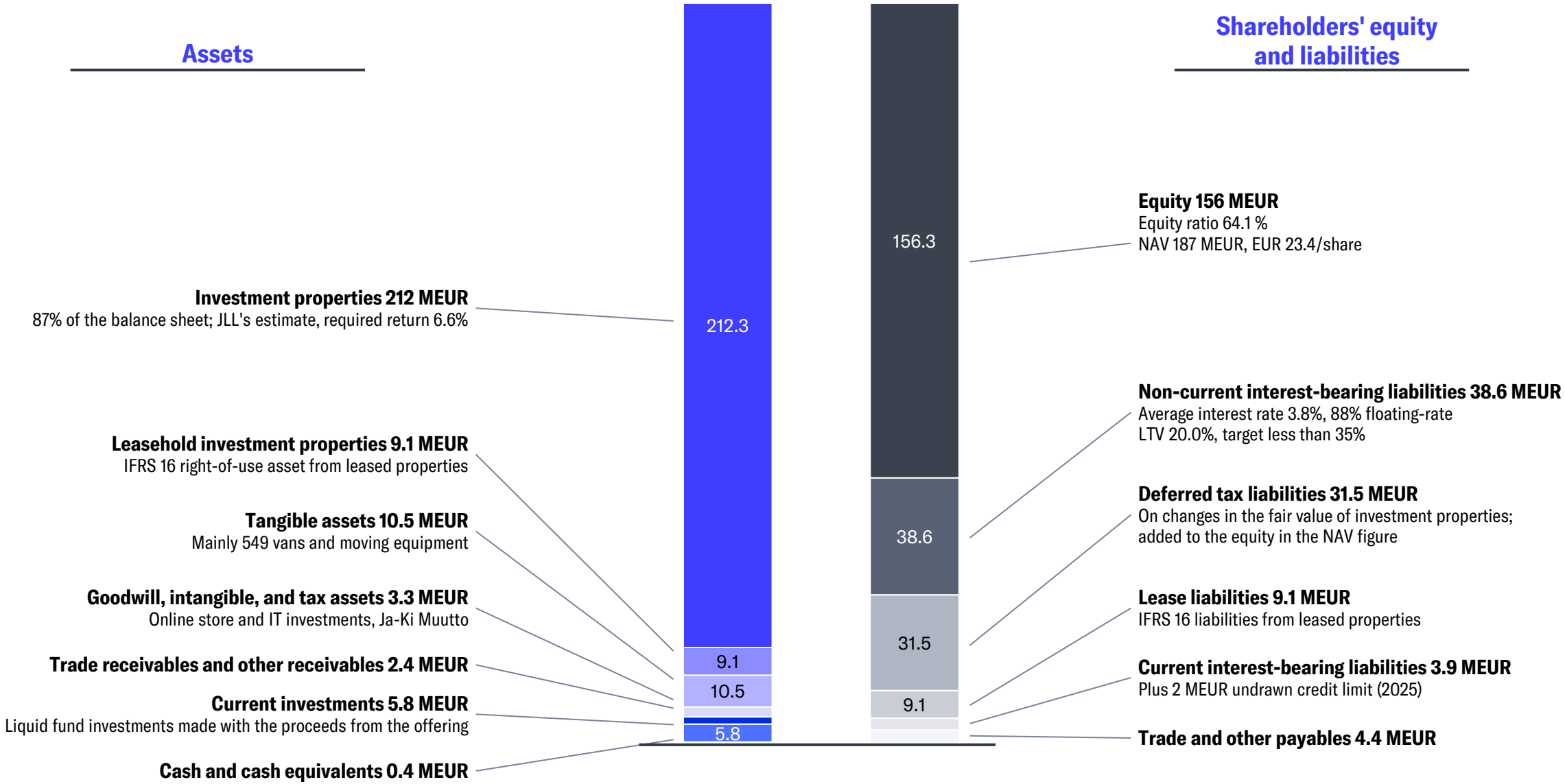
Investment capacity (Q2'26)



Cash flow after interest and leases, before dividends. Debt on new targets from the acquisition cost, excluding development margins.

Source: Cityvarasto, Inderes

Cityvarasto balance sheet Q2'26



Source: Cityvarasto (Annual report 2025, Q2'26), Inderes

Financial position 2/3

Real estate portfolio

The real estate portfolio is by far the most important item on the balance sheet. Cityvarasto had 82 self-storage facilities in 30 cities at the end of Q2'26, 73 of which were open. Seven projects were underway, including four expansions and three in the planning phase. The lettable area totaled 140,000 m^2, of which 67,000 m^2 was self-storage, 69,000 m^2 commercial premises, and 4,000 m^2 self-storage under construction. The properties included an additional floor area of over 20,000 m^2 that Cityvarasto plans to convert into self-storage in the medium term (12/31/2025). The occupancy rate was 83% for self-storage and 80% for commercial premises, and the average contract rents were 25.5 EUR/m^2/month and 9.8 EUR/m^2/month.

The portfolio clearly focuses on growth centers. At the end of 2025, over 65% of the portfolio's fair value was located in the Helsinki region, around 12% in total in the Turku and Tampere regions, 13% in other university cities, and 9% in regional locations (more detailed breakdown as of June 30, 2025). The company has continued to actively acquire properties also after Q2'26.

The fair value of the real estate portfolio is determined by an external appraiser using the yield-based method

Owned investment properties are measured at fair value on the balance sheet, as determined on a property-specific basis by an independent external appraiser. In 2024 and 2025, JLL Finland Oy, a leading firm in the sector, prepared these valuations using a 10-year cash flow model, and the properties belong to Level 3 of the fair value hierarchy. Key parameters at the end of 2025 were a required net return of 6.60% (6.55%), a market rent of EUR 29.70 (EUR 29.50)/m^2/month, an average economic occupancy rate of 74.1% (64.6%), and an inflation assumption of 2.0%. The net required return is increased by the inflation assumption, resulting in a nominal discount rate for cash flows of around 8.6%. Market rent describes the rental level of self-storage units at the end of the forecast period, while the occupancy rate describes the current situation, where unopened facilities are included at zero. The change in fair value for properties owned in 2025 was 7.8 MEUR.

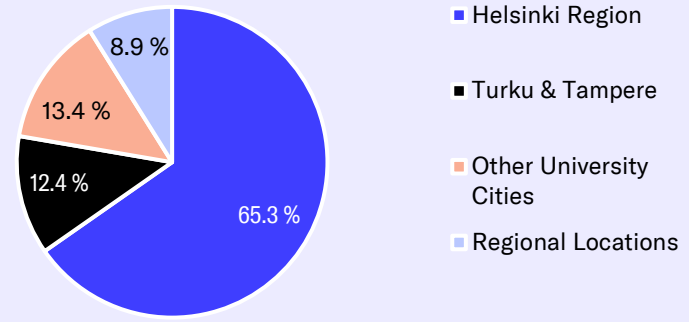
The exceptionally large value increase of 59.5 MEUR in 2024 was mainly due to the decrease in required returns, which coincided with a change in appraisers. Changes in fair value do not generate cash flow and can fluctuate significantly, and thus it is important to distinguish between reported earnings and operational profitability.

We consider the net required return of 6.6% to be fairly neutral for self-storage facilities, but this assessment is complicated by the fact that nearly half of the floor area is still used for purposes other than self-storage. Additionally, the targets had reached the end of their life cycle at the time of acquisition, and alternative uses for the self-storage facilities would be clearly less valuable. Assuming a 2% inflation rate, the market rent for self-storage units corresponds to a current level of around EUR 24.4, which is slightly below the current contract rent (Q2'26: EUR 25.5/m^2/month). With discounts factored in, the level is likely to be very close to the current one. This assumption is still slightly optimistic because we understand that it requires converting a significant portion of the commercial premises into self-storage facilities during the forecast period. The appraiser's assumption regarding the occupancy rate in 10 years is also clearly higher than the current level. Thus, in our view, the value depends primarily on successfully completing conversions and acquiring new properties. Conversely, the valuation level is supported by the high valuation of peers used in takeover bids.

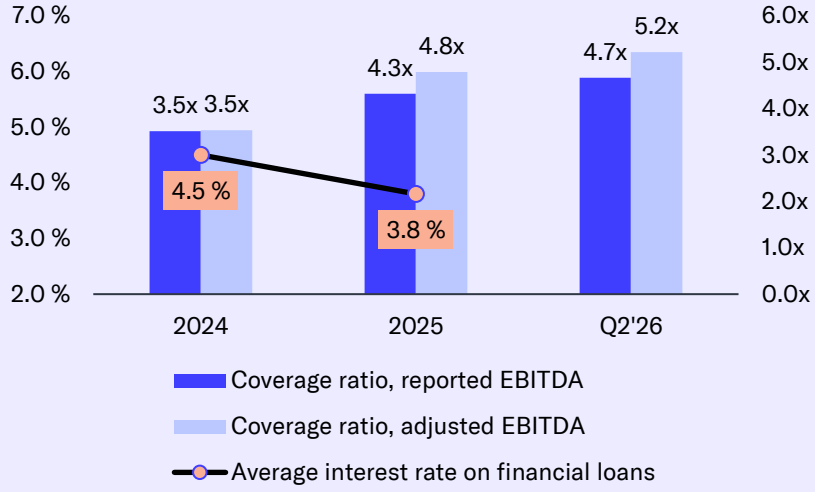
According to the company's sensitivity analysis, a 10% increase in the required return would decrease the fair value by 22.9 MEUR (-11.0%), a 10% decrease in market rent by 26.5 MEUR (-12.7%), and a 10% decrease in the occupancy rate by 26.7 MEUR (-12.8%).

For Cityvarasto, property valuation uncertainty is a smaller problem than it is for a typical real estate company as stock exchange valuation rests on cash flow and earnings. NAV plays only a minor role in our valuation. However, fair values affect the LTV ratio and investment capacity, so their decline would be a negative driver. A rise in interest rates could increase required returns somewhat, but we do not expect major changes in value in the coming years. The appraiser is unlikely to quickly change its calculations, and self-storage facility trading volumes in Europe have been high.

Geographical breakdown of the real estate portfolio



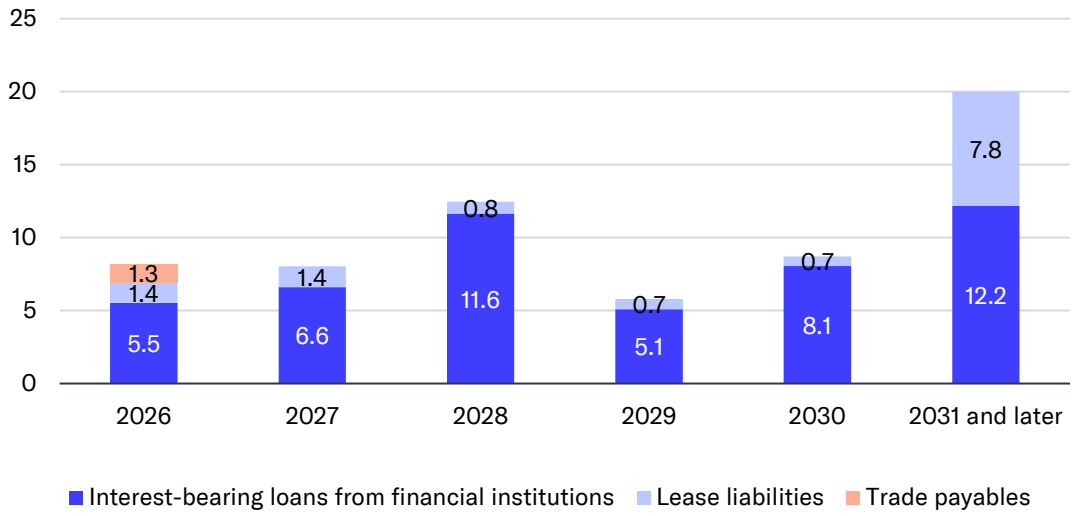
LTV, net liabilities and average interest rate on financial loans



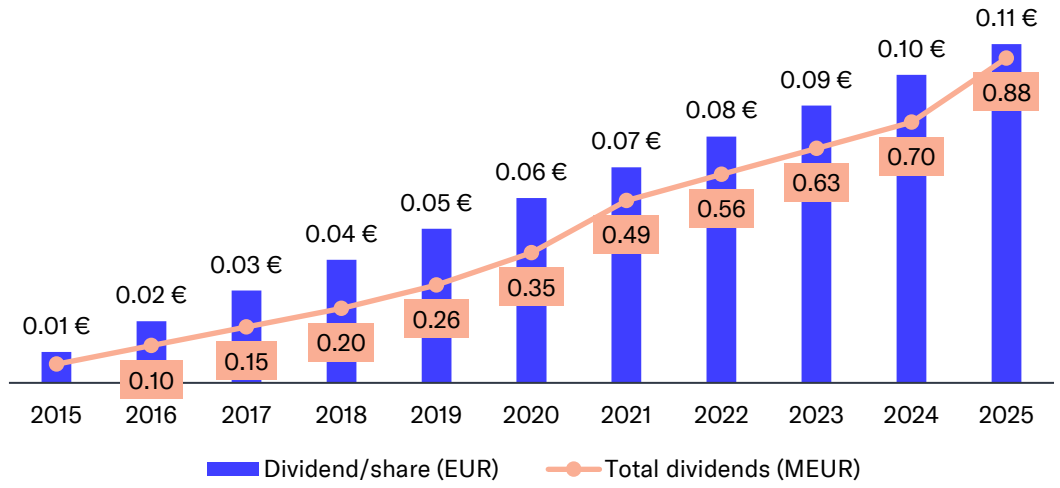
Source: Cityvarasto, Inderes

Financial position 3/3

Maturity distribution of financial liabilities on 31 Dec 2025, MEUR

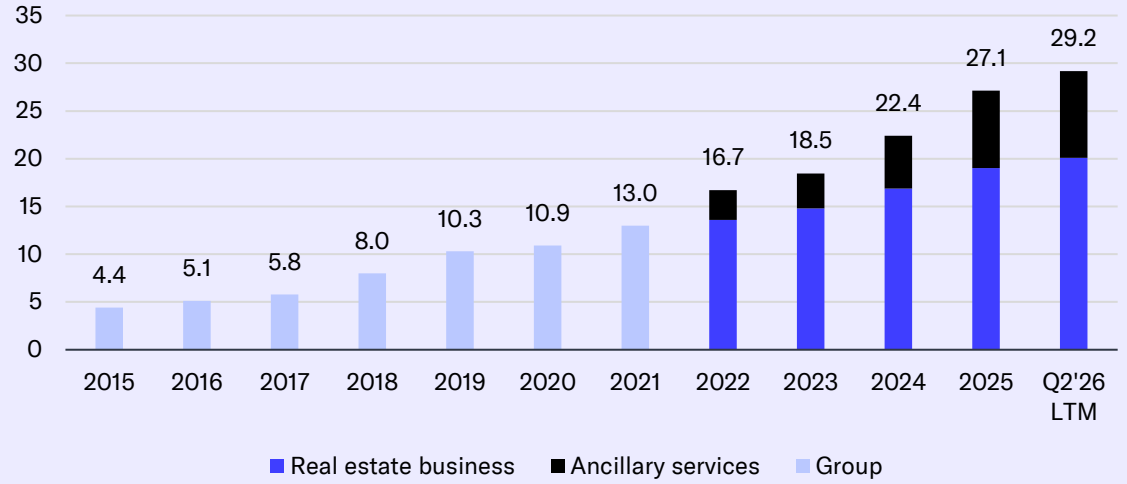


Dividend per share and total dividends

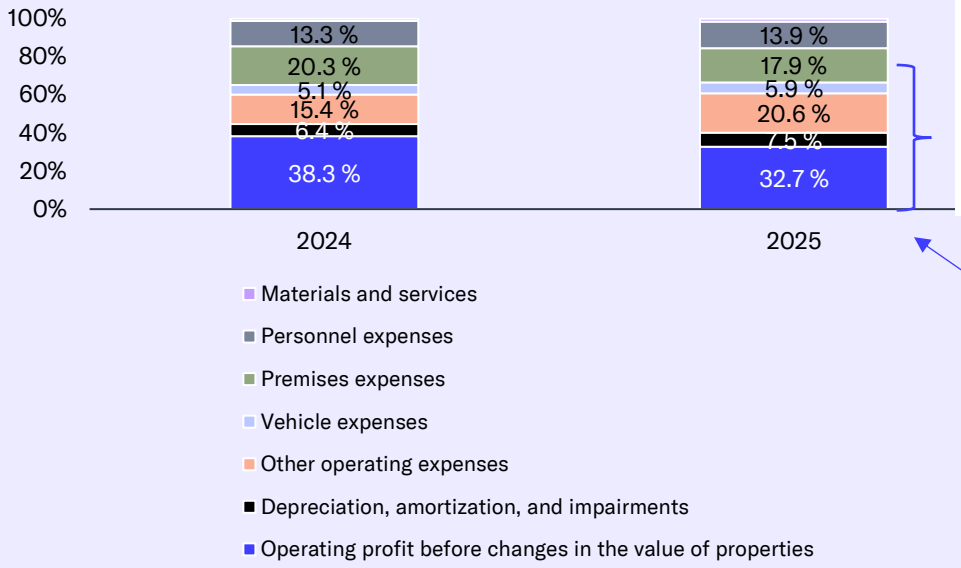


Source: Cityvarasto, Inderes

Revenue development by segment



Cost structure, % of revenue (before changes in the fair value of properties)

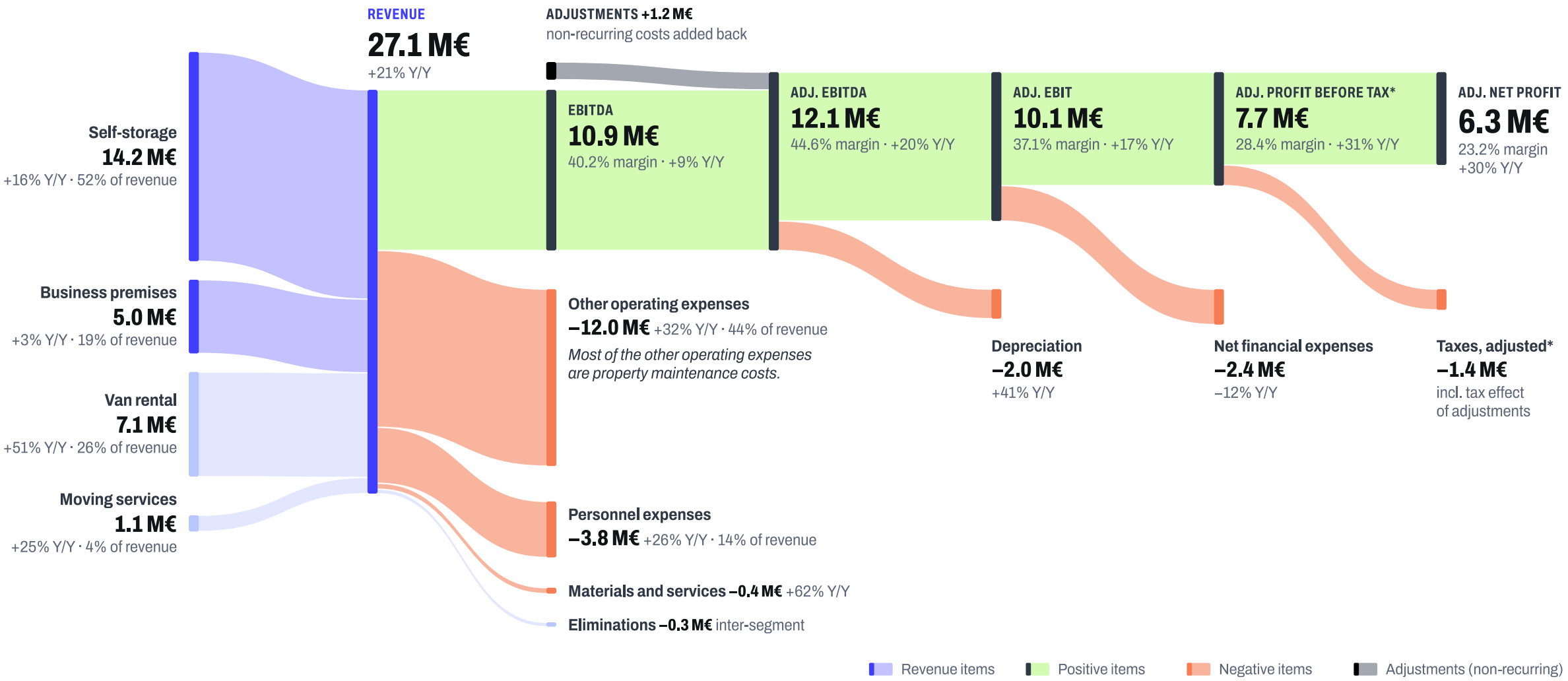


Other operating expenses Other expenses increased particularly due to IPO costs. Premises expenses are property maintenance costs.

The share of depreciation has increased, driven by major van investments.

*Before changes in the value of properties

Cityvarasto's 2025 operational income statement structure and cash flows



Source: Cityvarasto, Inderes

The segment division into self-storage/premises is an Inderes estimate

*Adj. EBT before taxes and adjusted taxes derived: adj. EBIT – net financial expenses; taxes incl. taxes payable and the tax effect of adjustments · Excl. fair value changes (+6.7 MEUR) and deferred taxes

Development of peers 1/4

European self-storage companies have shown strong growth

The European self-storage companies Shurgard, Safestore, and Big Yellow specialize primarily in self-storage, making them a good point of comparison for Cityvarasto. Their development from 2017 to 2025 is divided into two phases. In 2017–2022, revenue and profitability developed very strongly, but growth has slowed down starting in 2023. The market has also priced in this change, as the companies' market capitalizations are 43–57% below their 2021–2022 peaks. However, the decline in stock prices is primarily driven by falling valuations, which, in our view, had reached bubble levels at the peak of the zero-interest-rate era.

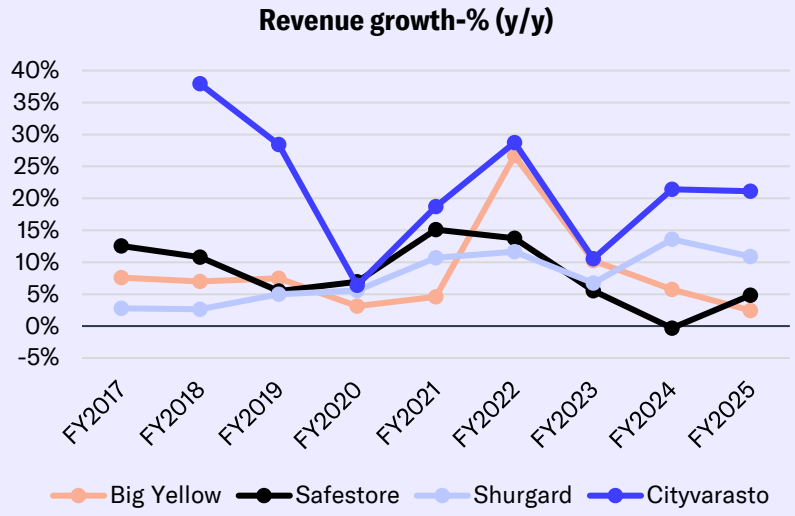
Revenue growth has been driven by rising rents per square meter and an expansion of the portfolio. Between 2017 and 2025, Shurgard's average rent rose by about 32%, and its lettable area increased by about 53%. For Safestore and Big Yellow, rent levels increased by 13–35%, and floor areas increased by 41–63%. In contrast, amid the rapid pace of expansion, companies' occupancy rates have fallen from their 2021 peak, with Safestore and Big Yellow seeing declines of more than 10 percentage points to around 72–74%. The occupancy rate for the entire portfolio is now below 2017 levels across the board (2017: Shurgard 87.5%, Safestore 72.6%, and Big Yellow 78.0%). Thus, the occupancy rate did not support growth at all during the entire period.

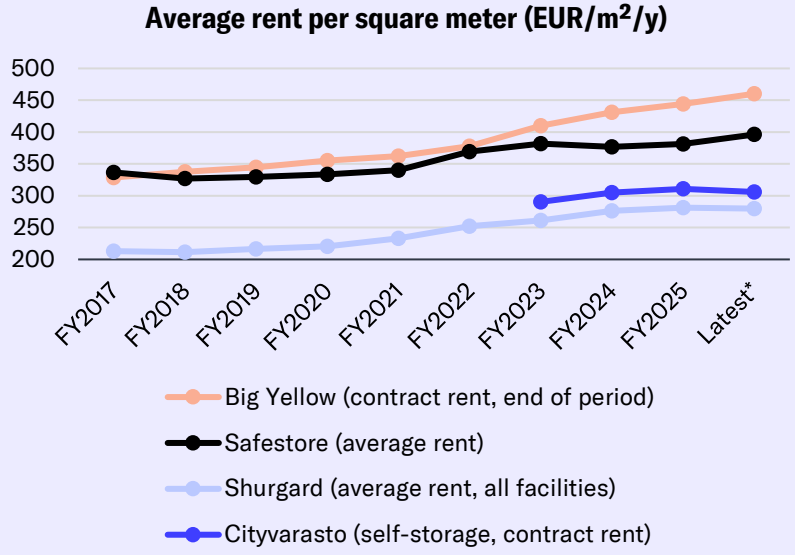
The focus of growth has also shifted. In 2017–2018, Big Yellow and Safestore's growth was still driven by their occupancy rates. In the 2018 fiscal year, their comparable revenue grew by 5–7%, while the comparable occupancy rate rose by 3–4 percentage points, and average rent increased by only 0.2–0.8%. Big Yellow raised its occupancy rate target from 85% to 90% at that time, but the comparable occupancy rate at the end of the fiscal years has never exceeded 87.4% (3/2021).

During 2021-2022, growth was broad-based, and Safestore's revenue grew by 14-15% annually. Since then, organic momentum has stalled as Safestore's revenue stagnated in 2024, while Big Yellow's growth slowed to 2%. Shurgard's revenue still grew by 11–14%, but most of that growth was inorganic. The company's lettable area grew by around 17% in 2024. Expansion has been Shurgard's growth engine ever since its IPO, as in 2018 the revenue of like-for-like facilities grew by only 1.2% (medium-term target 1.5–2.5%).

In our estimation, the decline in occupancy rates is primarily due to expansion and increased supply rather than a general weakening of demand. New and acquired facilities are in the ramp-up phase, diluting the figures for the entire portfolio. We also estimate that tightening competition and rent increases have negatively impacted occupancy rates. The like-for-like occupancy rates of the companies are clearly higher (H1'26: Shurgard 89.0% and Safestore 77.0%, Big Yellow Q1/27: 79.2%). For example, the occupancy rate for all Shurgard locations was 83.6% in H1'26, which was around 5 percentage points lower than the comparable portfolio. However, demand has also softened in the UK, and Big Yellow's occupancy rate decreased by 4.5 percentage points across its entire portfolio in fiscal year 2026. The company has also raised rents at the expense of occupancy rates.

Development has been weakest precisely in Britain, which is Europe's largest and most developed self-storage market. The sector's average occupancy rate there has decreased from its 2021 peak (83.3%) to 74.5% in 2025, as supply has increased by around 5% per year and revenue per square foot decreased by 5%. In our view, this indicates that, in a mature market, new capacity and tighter price competition weigh on profitability, even though demand has remained stable in the long term.





Source: Bloomberg, Inderes

Big Yellow's fiscal year ends on March 31.

Development of peers 2/4

Growth in EBITDA has no longer translated into earnings per share

At the operating earnings level, peers have developed very well over the long term. Shurgard's and Big Yellow's EBITDA almost doubled in 2017–2025, and Safestore's EBITDA also grew significantly, though it stalled after 2023. The growth has been driven by increased rent levels and portfolio expansion, and profitability remained high.

The picture is different at the level of reported earnings. Decreased required returns for real estate supported reported earnings in 2017–2022, when earnings were inflated by revaluations. The rise in general interest rates reversed this trend as the ECB raised its interest rate from negative levels to 4% in 2022–2023, and the Bank of England to 5.25%. Required returns for real estate increased, and revaluations decreased or temporarily turned negative.

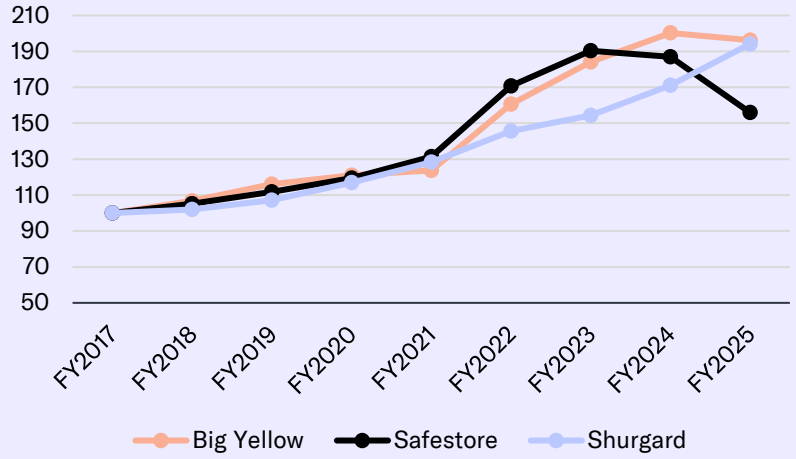
In addition to rising interest rates, debt-financed expansion increased the companies' interest costs in 2022–2025. The average interest rate on peers' debt has risen from 2.3–3.0% (2018) to 3.3–5.0%. Big Yellow's EPS (GBP 0.63) for the 2026 fiscal year was at the same level as in 2017, while Shurgard's earnings have remained higher thanks to continued revaluations. Without changes in value, the picture is less severe. Big Yellow's and Safestore's adjusted EPRA EPS grew by approximately 71–74% from 2017, but even that growth lagged behind the growth in EBITDA. However, the years 2024–25 have clearly been more difficult for Safestore. Safestore's adjusted profit before taxes decreased by 12% in financial year 2024 and by an additional 4% in financial year 2025. In 2024, this was due to weak demand from British business customers and a roughly 7% increase in costs. In addition, financing costs rose by about one-third due to debt taken on for development projects and rising interest rates. In 2025, revenue returned to growth, but the openings of 13 new facilities, rising administrative expenses, and further increased financial expenses ate into the growth at the earnings level. Nevertheless, a turnaround appears to have begun, as adjusted EBT grew by 2% in H1'26.

Big Yellow's indebtedness is moderate (net debt/EBITDA FY2026: 3.7x), but it has financed its growth through share issues. Its equity multiplied by 2.9 from 2017 to the 2026 financial year, while EBITDA grew by around 97% over the same period. However, the number of shares increased by only about 25% during that time, so the growth in equity is primarily due to revaluations rather than share issues. In 2018, the dividends of Big Yellow and Safestore still grew by 12–16%. In recent years, dividend growth has been modest for all of them, with Shurgard's dividend remaining at EUR 1.17 since 2023, for example.

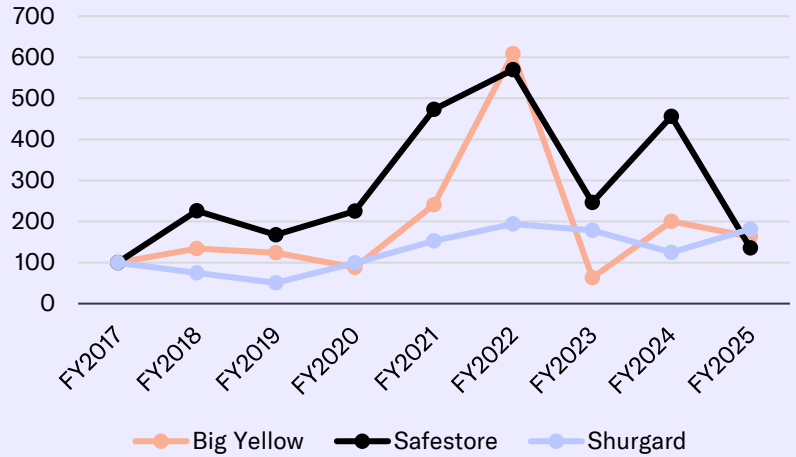
Operational returns on capital have decreased in the 2020s

Return on equity was very high during the years of revaluations but has since decreased. While investors should note that absolute returns on capital provide little insight into operational returns on capital, we find the company-specific trend to be a more interesting data point in and of itself. Regarding income, the return on invested capital, excluding revaluations, has steadily declined between 2017 and 2025, from 5.9% to 3.6% at Shurgard, from 6.5% to 3.9% at Safestore, and from 5.4% to 4.2% at Big Yellow. This decrease is mainly due to increased real estate fair values. In addition, we believe that companies' returns on capital have also declined in the 2020s due to a rapid pace of expansion, increased competition, and inflation, among other things.

EBITDA index (FY2017 = 100)



EPS index (FY2017 = 100)



Source: Bloomberg, Inderes

Big Yellow's fiscal year ends on March 31.

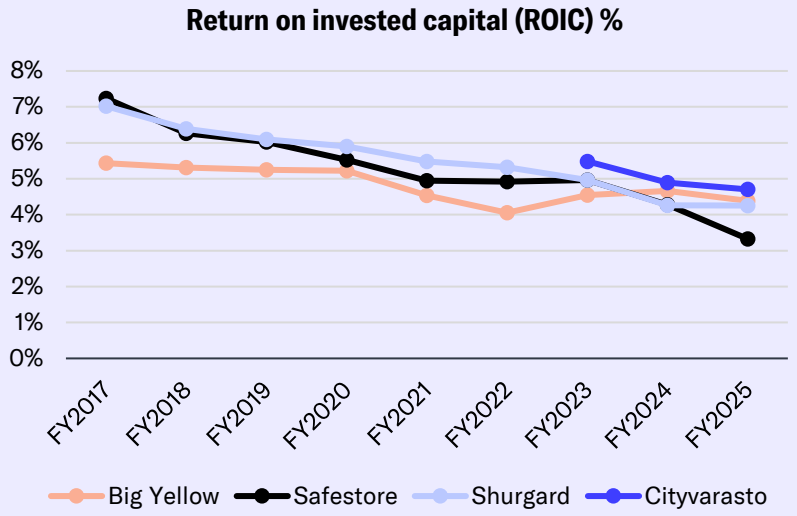
Development of peers 3/4

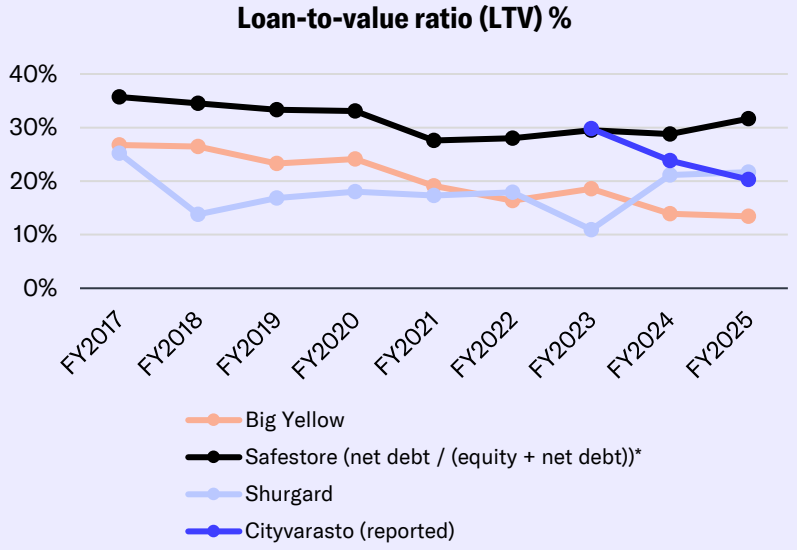
Cityvarasto's development and starting position relative to peers look good

We believe Cityvarasto's starting points are good compared to its peers. Regarding the balance sheet, the LTV ratio was 20.0% at the end of Q2'26, and the net debt-to-EBITDA ratio, including lease liabilities, was around 3.8x, whereas Shurgard's and Safestore's debt leverage has risen to around 6–9x, and Big Yellow's ratio is largely the same as Cityvarasto's. As we discussed in the Financial position section, we believe Cityvarasto has ample leeway to finance growth. The company's growth has also clearly outpaced that of its peers recently, with revenue growing 16% in H1'26 while peers' growth in the latest period was 3–7%, with comparable growth at 1–4%. The development of occupancy rates has particularly been good. Despite rapid growth, it has clearly been on an upward trajectory, unlike its peers. In our opinion, this is partly due to the Finnish market's earlier development stage and easier competitive situation. In terms of average rents, the development appears to have been quite similar.

One factor that clearly distinguishes Cityvarasto is its ancillary services. This is also one of the factors contributing to the company's lower profitability margin compared to its peers. Ancillary services alone do not explain the lower profitability, as the profitability of the company's real estate business has also been lower than that of its peers (2025: 48% vs. 50–65%). In our view, this is driven by the large share of commercial premises, the smaller size compared to peers, and the rapid growth rate (= less mature real estate portfolio).

The development of its peers also shows that rapid expansion dilutes the occupancy rate and return on capital during the transition phase. Excluding changes in fair value, Cityvarasto's return on invested capital for 2023–2025 has been approximately 3.6–4.4% (LTM H1'26: 3.4%), which is in line with that of its peers (2025: 3.6–4.2%). The difference lies in direction, as peers' returns have steadily declined since 2017, while Cityvarasto's improved in 2023–2024. The decline in 2025 is primarily due to listing expenses, as the return would have been around 4.1% without the IPO expenses. Therefore, key metrics for investors to monitor are the rental rate, comparable occupancy rate, and return on investments relative to the cost of capital. In addition, profitability in ancillary services has weakened, which has decreased capital returns.



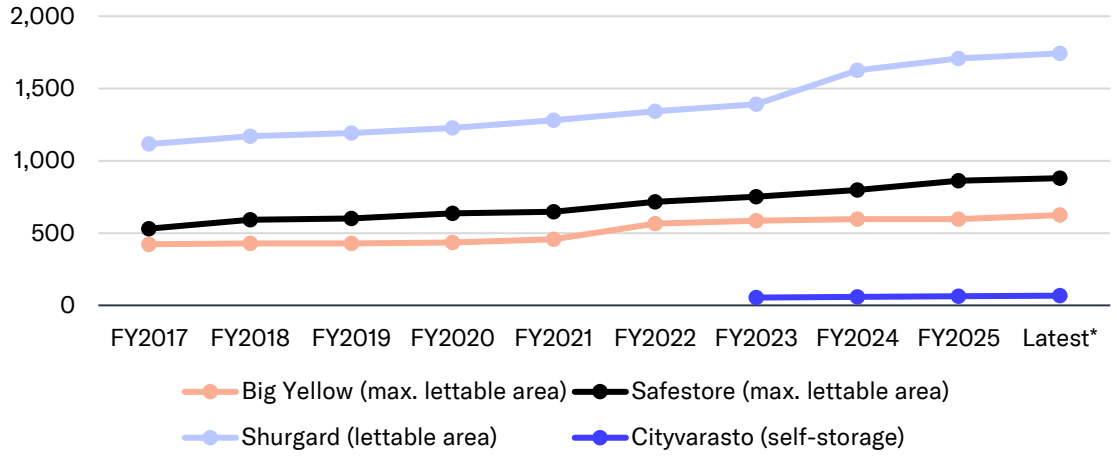


Source: Bloomberg, Inderes

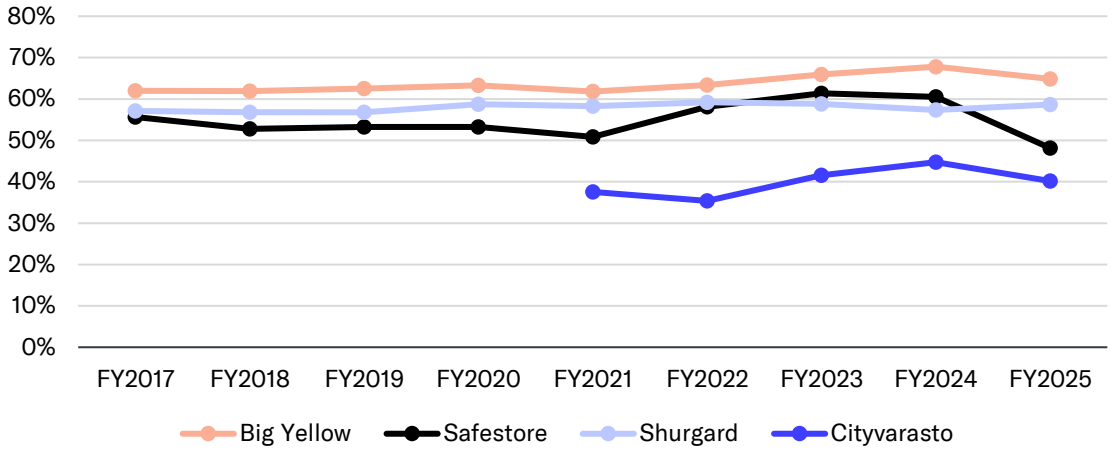
Big Yellow's fiscal year ends on March 31.

Development of peers 4/4

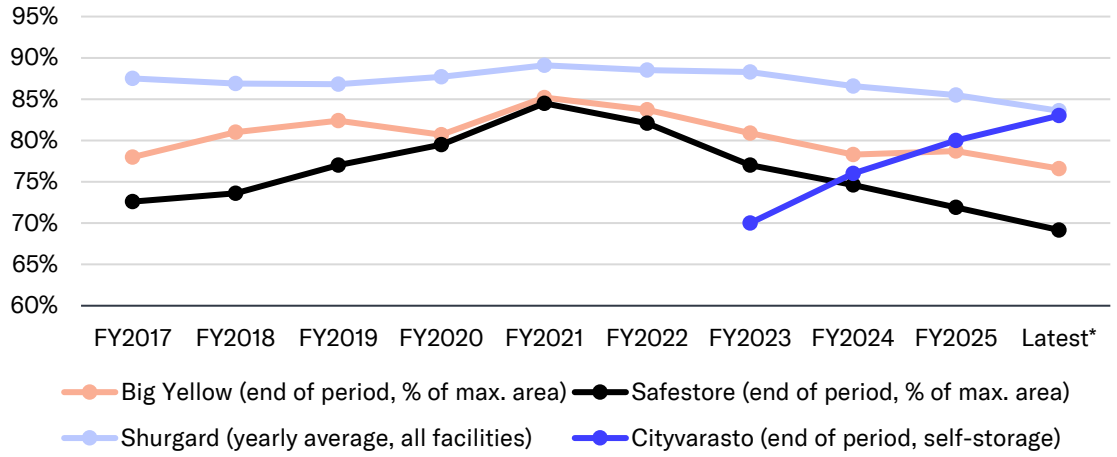
Lettable area (1,000 m²)



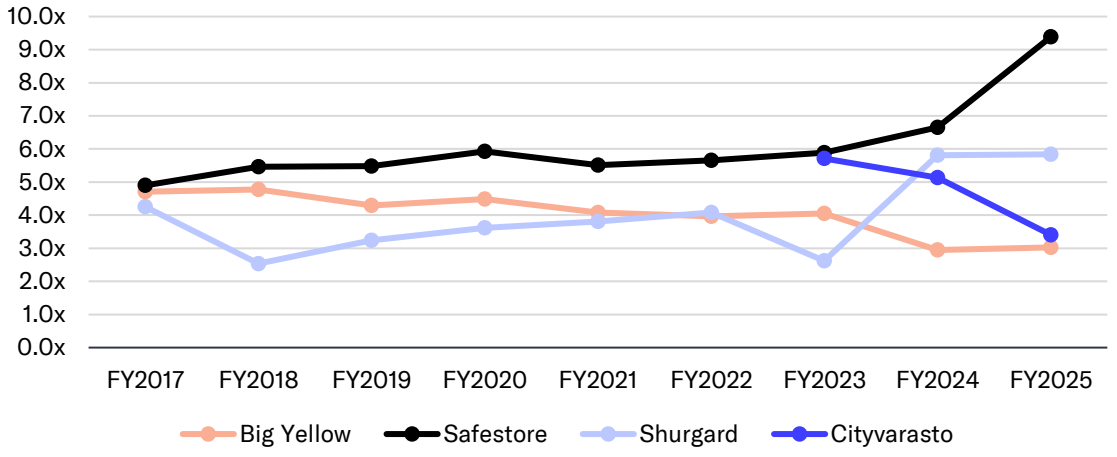
EBITDA margin %



Occupancy rate (%) - note differences in definition



Net debt/EBITDA (x)



Source: Bloomberg, Inderes

Big Yellow's fiscal year ends on March 31.

Estimates 1/4

Parameters of our forecast model

In line with Cityvarasto's reporting, we estimate revenue in two segments (self-storage and ancillary services). According to our estimates, the real estate business accounted for approximately 70% of revenue and 87% of operational EBIT in 2025. Although the company does not report self-storage and commercial premises revenue separately, we model them as separate items because the company reports the key parameters of both areas in detail. Revenue in both areas is generated as the product of lettable area, average contract rent per square meter, and occupancy rate. Our floor area estimates are based on investment estimates and the conversion of commercial premises into self-storage facilities, with around two-thirds of the floor area converted into lettable self-storage space. We assume that around 17,000 m^2, or roughly a quarter of the current commercial premises area, will be converted in 2027–2030, which will generate some 11,000 m^2 of new self-storage space. Thus, the key drivers of our growth forecasts are new facilities and a higher occupancy rate, while our estimates show moderate growth in rents by square meter (at around the inflation rate).

A significant portion of real estate business expenses consists of property maintenance costs, which increase in line with floor area. Group expenses are included in the segment figures in accordance with the company's reporting. In our view, the fixed cost structure of the real estate business still offers potential for scaling, which is why earnings development is stronger than revenue growth in our forecasts.

In ancillary services, we forecast van rentals based on the number of vehicles in the fleet and moving services separately. Van rentals accounted for approximately 87% of the segment's revenue in 2025. We allocate van depreciation entirely to the segment and also examine its profitability at the EBIT level, as depreciation consumes roughly half of EBITDA.

Our detailed forecast period extends to 2030, after which we make forecasts at the group level.

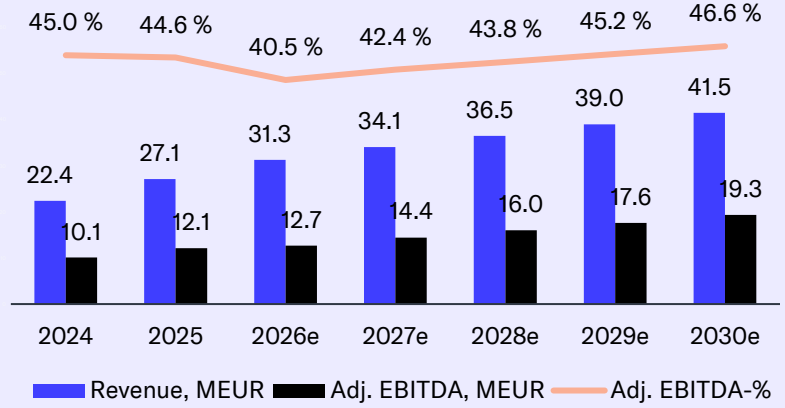
We estimate that real estate investments will generate a development margin of around 35–40%, which is recognized as a change in fair values. In our view, the development margin is based on the company's ability to acquire properties at good prices and convert them into profitable self-storage use, as well as on inflation. Since we do not estimate any changes to required returns or other valuation parameters, changes in value will be much smaller than in recent years and the method will be quite conservative relative to the company's history.

Our forecasts include already-announced acquisitions that generate immediate cash flow, such as the Kangasala property and Kenguruvarastot, which were acquired this year. However, most real estate acquisitions start generating cash flow more slowly as they are developed. Thus, the conversion potential of over 20,000 m^2 is not fully reflected in the estimates, leaving an upside if this potential can be realized.

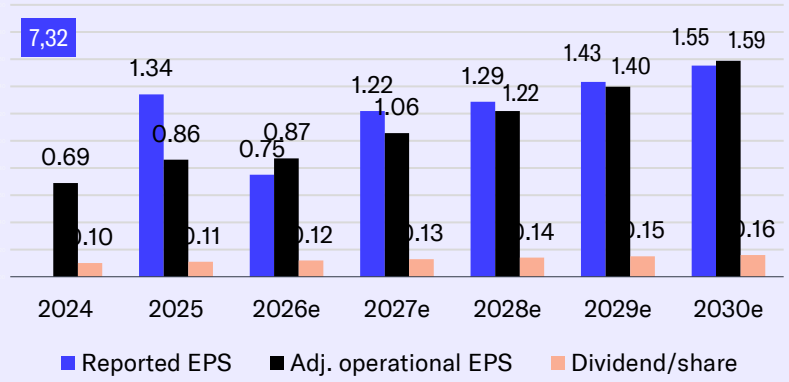
The company has paid virtually no income taxes

In practice, the taxes reported on Cityvarasto's income statement are entirely deferred (2025: 2.4 MEUR). For tax purposes, real estate is depreciated from its acquisition cost, whereas in IFRS financial statements, it is measured at fair value. Additionally, the company has unused tax losses and previously unrecorded tax depreciation (December 31, 2025: 4.9 MEUR), which it can deduct from its future taxable income. The deferred tax liability recognized from increases in fair value (2025: 30.5 MEUR) is only realized if the properties are sold. Consequently, the company's tax burden at the cash flow level has been very modest. In the name of the principle of prudence, however, we assume in our cash flow model that the company will start paying taxes on its earnings, excluding fair value changes, from the beginning of 2027, in accordance with the lowered 18% corporate tax rate. This assumption may prove to be conservative in the coming years.

Revenue and adjusted EBITDA,
2024– 2030e



EPS and dividend,
EUR, 2024–2030e



Source: Inderes

Estimates 2/4

Estimates for real estate business

We estimate revenue from the real estate business to grow by 13% to 21.8 MEUR in 2026 (2025: 19.3 MEUR, H1'26: +12%). This growth is supported by completed conversions and new real estate acquisitions. In 2027-2030, we forecast the segment will grow by an average of 8% per year to 29.7 MEUR. Self-storage facilities are the growth engine, with their lettable area estimated to grow from 67,000 m^2 to around 95,000 m^2 by 2030 in our forecasts. Meanwhile, the commercial premises area will shrink from approximately 70,000 m^2 to 63,000 m^2 due to conversions, despite experiencing new acquisitions.

We estimate that the self-storage occupancy rate will decrease slightly from the current 83% (Q2'26) to 81%, driven by new openings toward the end of the year. We forecast that the occupancy rate will gradually rise to 83% by the end of the forecast period. We estimate that the average contract rent per square meter will grow by 2% per year, in line with inflation, from 2027 onwards (2025: EUR 25.9/m^2/month). For 2026, we project a slight decline in average rents, weighed down by new openings. In 2024, the company implemented a clearer 5% price increase at the level of contract rents, but since then, the rise in prices has been moderate. In our view, this is partly driven by the rapid pace of expansion.

In our estimates, the segment's adjusted EBITDA margin will decrease slightly to 46.9% in 2026 (2025: 47.9%). Strong growth investments will temporarily decrease relative profitability, as expenses for new facilities are incurred before rental income. In 2027, we expect profitability to resume growing. As the occupancy rate rises and investments decrease, we estimate that the margin will improve to 52.4% in 2030. Real estate investments will rise to 10.0 MEUR in 2026 as a result of acquisitions and will stand at 7–9 MEUR per year thereafter.

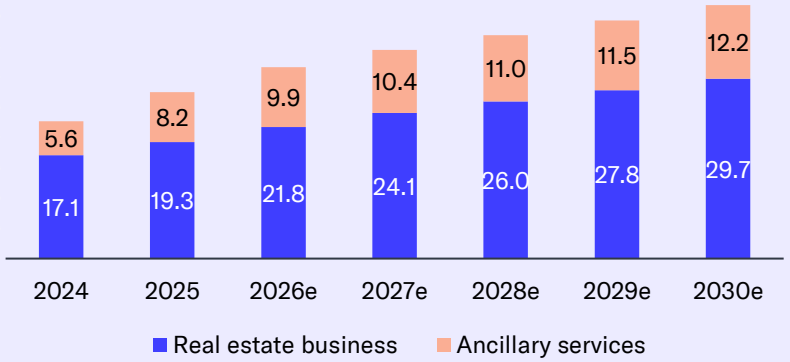
Estimates for ancillary services

We estimate revenue from the ancillary services to grow by 20% to 9.9 MEUR in 2026 (2025: 8.2 MEUR, H1'26: +29%). This growth will primarily stem from moving services, where revenue will nearly double to 2.0 MEUR following the acquisition of Ja-Ki Muutto in January (2025: 1.1 MEUR). Van rental will grow by 10% to 7.9 MEUR as the fleet expands to 554 vehicles (2025: 513). From 2027 onwards, we estimate the segment will grow by 5% per year. Regarding the internationalization of the van rental business, we remain very modest in our estimates, with expansion into Sweden potentially emerging as a clear new growth driver in the coming years.

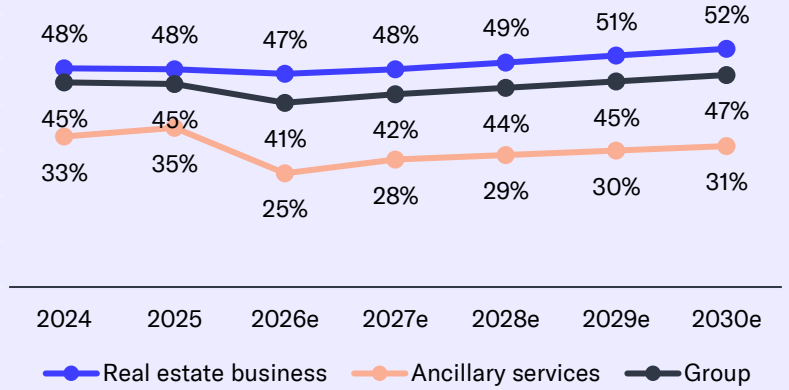
The segment's profitability has clearly weakened this year, as the adjusted EBITDA margin was 17.5% in H1'26 (H1'25: 33.2%). This was driven by growth in lower-margin moving services, growth investments in van rental, as well as the cold winter. The company has implemented efficiency measures following the acquisition of Ja-Ki Muutto, the impact of which we estimate will gradually become apparent in the coming quarters. Furthermore, as is typical, we estimate that the company has not yet been able to extract the synergies of the acquisition in the short term. We forecast the full-year adj. EBITDA margin to land at 25.0% (2025: 35%). In 2027, we expect the margin to rise to 28% as overlapping costs are eliminated. We believe that this improvement entails execution risk, but the small size of the segment limits its impact on the group's earnings. Our profitability estimates for ancillary services are also cautious relative to history. This is partly due to the extremely high historical profitability of the company's van rental business, which we estimate will not be easy to maintain.

We estimate the segment's adj. EBIT-% to decrease to 9.2% in 2026 (2025: 18.0%). We expect it to recover to 15.5% by 2030, which is still clearly below the historical level of around 20%.

Revenue by segment,
MEUR, 2024–2030e



Adjusted EBITDA-% by segment,
2024-2030e



Source: Inderes

Estimates 3/4

2026 is a strong year for investment, with a slight risk of a profit warning

In 2026, Cityvarasto expects its revenue to be 29.9-31.2 MEUR (+10-15% vs. 2025) and its adjusted EBITDA to be 12.7-13.9 MEUR (+5-15% vs. 2025). In H1'26, revenue grew by 16%, but adjusted EBITDA decreased by 2% due to the weak profitability of ancillary services. We forecast revenue growth of 15%, reaching 31.3 MEUR, slightly above the upper end of the guidance range. We estimate that adjusted EBITDA will be 12.7 MEUR, or 40.5% of revenue, which is right around the lower end of the guidance range. Our estimate requires a slight relative improvement in the H2'26 margin as early-year investments begin to yield better returns. We estimate the margins for Q3'26 and Q4'26 at 48.5% and 38.5%, which are slightly below those of the comparison periods (Q3'25: 50.8%, Q4'25: 39.5%). In our estimates, the real estate business margin will remain at the level of the comparison period (48.6%) in H2, meaning the decline stems from ancillary services. Additionally, the Q3'25 figures were not yet burdened by the costs of being a public company because the company went public in October 2025. Thus, although we still see a slight risk of a profit warning, we believe it would be relatively insignificant to the company's value creation.

We expect investments to increase to 12.4 MEUR (2025: 9.5 MEUR), meaning free cash flow will remain negative (-3.1 MEUR). However, free cash flow is not a relevant figure in the short term due to major investments, and we estimate that capital allocation is highly value-creating. Reported EPS will decrease to EUR 0.75 as fair value changes will remain at 1.0 MEUR in our estimate (2025: 7.8 MEUR). adjusted operating EPS is expected to remain close to last year's level of EUR 0.87. We estimate the dividend to increase by one cent to EUR 0.12.

Growth prospects are favorable for 2027–2030

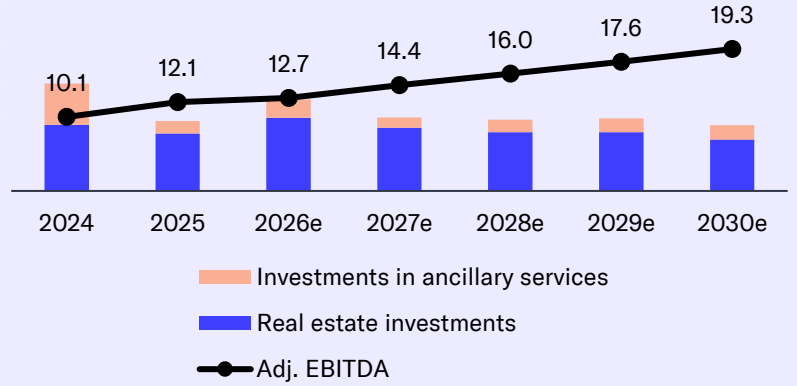
We expect revenue to grow by an average of 7% p.a. in 2027-2030 to 41.5 MEUR. Key drivers are new facilities, conversions of existing facilities, rising rents, and the recovery of profitability in ancillary services. We forecast adjusted EBITDA to grow to 19.3 MEUR, or 46.6% of revenue, in 2030. During the 2025–2029 target period, revenue is projected to grow by slightly less than 12% annually, which falls just short of the company's target of over 12%. However, in our forecasts, the margin remains well below the company's target of over 50% (2029e: 45.2%), because new facilities dilute profitability during the ramp-up phase and we expect the profitability of ancillary services to remain moderate compared to previous years due to the increased share of moving services.

We estimate adjusted operating EPS to rise from EUR 1.06 to EUR 1.59 in 2027–2030, and free cash flow to turn positive in 2027 as investments decrease. As a result, the balance sheet will strengthen, and the equity ratio will rise to 70% by 2030. Our dividend estimates are moderate, and we expect an annual increase of one cent.

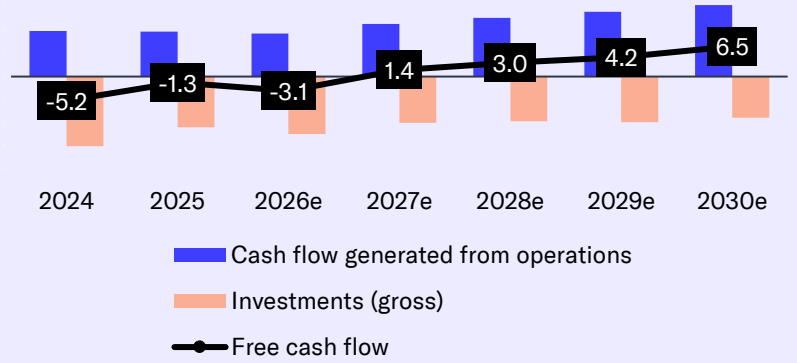
Long-term growth outlook is good

We believe the company has good prospects for growth even in the long term, supported by its strong market position and favorable market trends. Our growth forecasts are based on the Finnish market, and international expansion is currently more of an option. We forecast that growth will gradually slow from 5% to a terminal growth rate of 2% between 2031 and 2035 and that the terminal EBITDA margin will be 46.6% in the mature phase. We consider the weakness of the Finnish economy, intensifying competition, and the decline in the profitability of ancillary services to be the key risks to our forecasts.

Investments and adjusted EBITDA,
MEUR, 2024-2030e



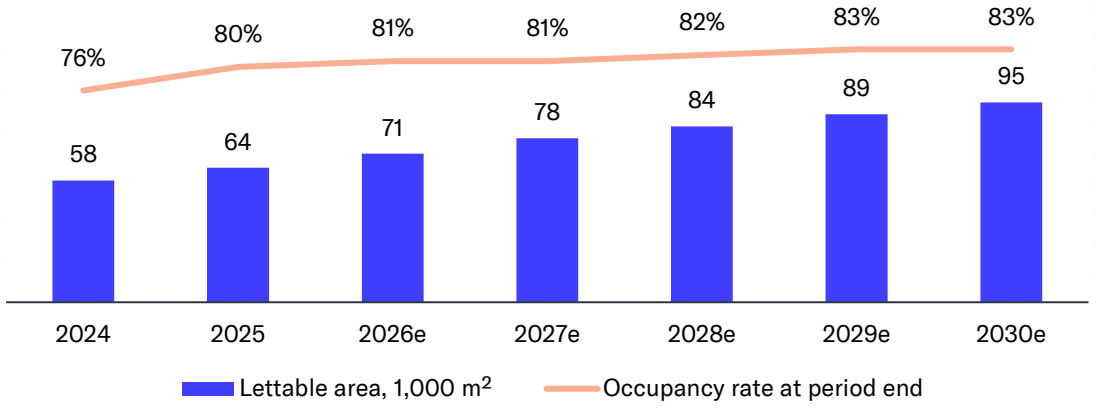
Cash flow,
MEUR, 2024–2030e



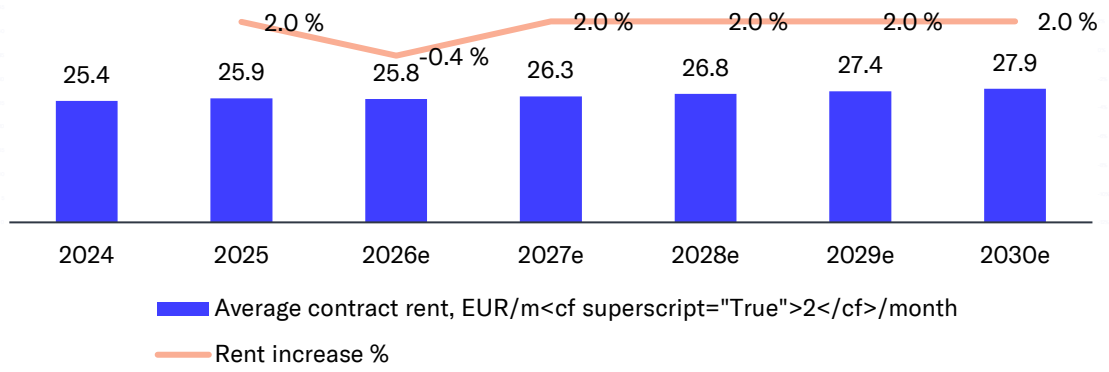
Source: Inderes

Estimates 4/4

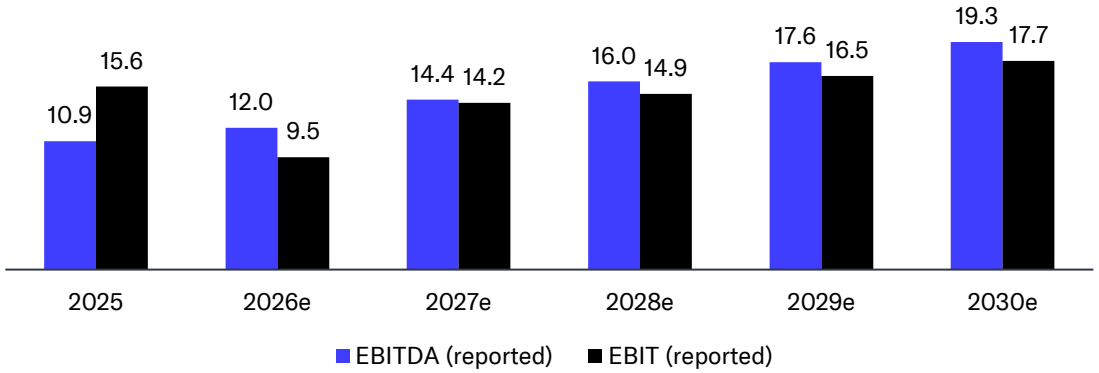
Lettable area and occupancy rate of self-storage,
2024-2030e



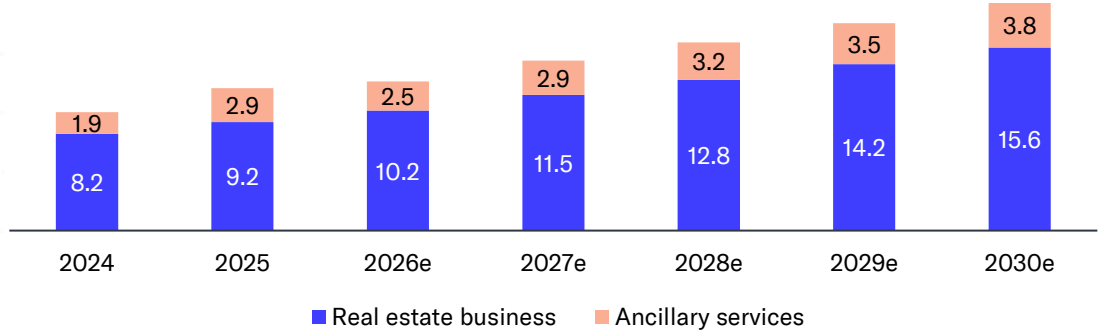
Average rent for self-storage units,
EUR/m²/month, 2024–2030e



Reported EBITDA and EBIT,
MEUR, 2025-2030e



Adjusted EBITDA by segment,
MEUR, 2024-2030e



Source: Inderes

Income statement

Income statement	2023	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue	**18.5**	**22.4**	**6.0**	**6.6**	**7.3**	**7.2**	**27.1**	**7.2**	**7.5**	**8.3**	**8.3**	**31.3**	**34.1**	**36.5**	**39.0**
Real estate business	15.0	17.1	4.5	4.8	4.9	5.1	19.3	5.2	5.2	5.6	5.8	21.8	24.1	26.0	27.8
Ancillary services	3.7	5.6	1.6	1.9	2.4	2.3	8.2	2.1	2.4	2.8	2.6	9.9	10.4	11.0	11.5
Eliminations	-0.2	-0.3	-0.1	-0.1	-0.1	-0.1	-0.3	-0.1	-0.1	-0.1	-0.1	-0.4	-0.4	-0.4	-0.4
Adjusted EBITDA	**7.7**	**10.1**	**2.1**	**3.4**	**3.7**	**2.9**	**12.1**	**2.2**	**3.3**	**4.0**	**3.2**	**12.7**	**14.4**	**16.0**	**17.6**
Real estate business	6.5	8.2	1.8	2.6	2.7	2.2	9.2	1.8	2.8	3.0	2.5	10.2	11.5	12.8	14.2
Ancillary services	1.2	1.9	0.4	0.8	1.0	0.7	2.9	0.4	0.4	1.0	0.7	2.5	2.9	3.2	3.5
EBITDA	**7.7**	**10.0**	**2.1**	**3.0**	**2.8**	**3.0**	**10.9**	**2.1**	**2.8**	**4.0**	**3.2**	**12.0**	**14.4**	**16.0**	**17.6**
Real estate business	6.4	8.2	1.7	2.3	1.8	2.3	8.2	1.8	2.4	3.0	2.5	9.7	11.5	12.8	14.2
Ancillary services	1.2	1.9	0.3	0.7	1.0	0.7	2.7	0.3	0.4	1.0	0.7	2.4	2.9	3.2	3.5
Changes in fair value of investment properties	3.5	58.4	-0.3	0.4	-0.5	7.1	6.7	-0.5	-0.8	0.6	0.6	-0.1	2.2	1.6	1.6
Depreciation	-1.3	-1.4	-0.4	-0.5	-0.6	-0.6	-2.0	-0.5	-0.6	-0.7	-0.6	-2.4	-2.5	-2.7	-2.8
EBIT (excl. NRI)	**9.9**	**67.1**	**1.4**	**3.3**	**2.6**	**9.4**	**16.7**	**1.1**	**1.9**	**3.9**	**3.2**	**10.2**	**14.2**	**14.9**	**16.5**
EBIT	**9.9**	**67.0**	**1.3**	**2.9**	**1.7**	**9.6**	**15.6**	**1.0**	**1.5**	**3.9**	**3.2**	**9.5**	**14.2**	**14.9**	**16.5**
Share of profits in assoc. compan.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net financial items	-2.0	-2.7	-0.7	-0.6	-0.6	-0.5	-2.4	-0.6	-0.4	-0.5	-0.5	-2.0	-2.3	-2.4	-2.5
PTP	**7.9**	**64.3**	**0.7**	**2.3**	**1.1**	**9.1**	**13.1**	**0.5**	**1.0**	**3.4**	**2.6**	**7.5**	**11.9**	**12.5**	**14.0**
Taxes	-1.6	-12.7	-0.1	-0.4	-0.2	-1.7	-2.4	-0.1	-0.2	-0.7	-0.5	-1.5	-2.1	-2.3	-2.5
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net earnings	**6.3**	**51.6**	**0.5**	**1.9**	**0.9**	**7.4**	**10.7**	**0.4**	**0.8**	**2.7**	**2.1**	**6.0**	**9.7**	**10.3**	**11.5**
EPS (adj.)	**0.89**	**7.33**	**0.08**	**0.28**	**0.22**	**0.91**	**1.49**	**0.06**	**0.16**	**0.34**	**0.27**	**0.83**	**1.22**	**1.29**	**1.43**
EPS (rep.)	**0.89**	**7.32**	**0.07**	**0.24**	**0.11**	**0.92**	**1.34**	**0.05**	**0.10**	**0.34**	**0.26**	**0.75**	**1.22**	**1.29**	**1.43**

Key figures	2023	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue growth-%	10.6 %	21.4 %	16.1 %	19.9 %	22.4 %	25.4 %	21.1 %	19.7 %	13.0 %	13.7 %	15.1 %	15.2 %	8.9 %	7.1 %	6.8 %
Adjusted EBIT growth-%		577.5 %	17.7 %	67.2 %	19.2 %	-84.7 %	-75.0 %	-21.1 %	-42.6 %	52.3 %	-66.0 %	-39.3 %	39.4 %	5.4 %	10.3 %
EBITDA-%	41.7 %	44.7 %	34.4 %	45.8 %	38.5 %	41.6 %	40.2 %	29.3 %	37.6 %	47.9 %	37.9 %	38.5 %	42.4 %	43.8 %	45.2 %
Adjusted EBIT-%	53.6 %	299.3 %	23.8 %	49.8 %	35.5 %	130.3 %	61.7 %	15.7 %	25.3 %	47.6 %	38.5 %	32.5 %	41.6 %	40.9 %	42.3 %
Net earnings-%	34.1 %	230.3 %	9.0 %	28.6 %	12.2 %	102.1 %	39.5 %	5.2 %	11.2 %	32.4 %	25.2 %	19.2 %	28.6 %	28.2 %	29.4 %

Source: Inderes

Full-year earnings per share are calculated using the number of shares at year-end.

Balance sheet

Assets	2024	2025	2026e	2027e	2028e
Non-current assets	**214**	**230**	**240**	**249**	**258**
Goodwill	0.3	0.3	0.3	0.3	0.3
Intangible assets	1.0	1.6	1.7	1.8	1.9
Tangible assets	212	227	237	246	255
Associated companies	0.0	0.0	0.0	0.0	0.0
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	0.0	0.0	0.0	0.0	0.0
Deferred tax assets	0.4	0.8	0.8	0.8	0.8
Current assets	**3.8**	**12.3**	**3.4**	**3.4**	**4.9**
Inventories	0.0	0.0	0.0	0.0	0.0
Other current assets	0.0	0.0	0.0	0.0	0.0
Receivables	1.6	2.7	3.1	3.3	3.6
Cash and equivalents	2.2	9.6	0.3	0.1	1.3
Balance sheet total	**217**	**242**	**243**	**253**	**263**

Source: Inderes

Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	**131**	**156**	**161**	**170**	**179**
Share capital	0.1	0.1	0.1	0.1	0.1
Retained earnings	114	124	129	138	147
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	17.1	31.6	31.6	31.6	31.6
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	**76.0**	**77.1**	**77.3**	**77.9**	**78.5**
Deferred tax liabilities	28.5	31.2	31.4	32.0	32.5
Provisions	0.0	0.0	0.0	0.0	0.0
Interest bearing debt	47.5	46.0	46.0	46.0	46.0
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.0	0.0	0.0	0.0	0.0
Current liabilities	**9.9**	**8.8**	**4.5**	**4.9**	**5.2**
Interest bearing debt	6.4	4.9	0.0	0.0	0.0
Payables	3.5	3.9	4.5	4.9	5.2
Other current liabilities	0.0	0.0	0.0	0.0	0.0
Balance sheet total	**217**	**242**	**243**	**253**	**263**

Valuation 1/4

Summary of the valuation - Buy

We value Cityvarasto using a sum-of-the-parts calculation, a DCF model, and peer multiples. Our methods indicate a fair value of EUR 15.4–19.1 per share, which is 21–50% above the current share price (EUR 12.75). The lower end of this range is determined by the sum-of-the-parts method and the upper end by the DCF model, which prices in the value of future investments. Peer multiples support this view, as Cityvarasto's EV/EBITDA multiple (2026e: 11.6x) is around 25% below the median of European self-storage companies, despite the fact that the company's growth is clearly faster than that of its peers. While we do not base our valuation on the company's NAV (EUR 23.43), we see it as a possibility that could materialize in an acquisition scenario.

Valuing Cityvarasto is more challenging than valuing its peers due to the high share of ancillary services, as the required return on these services is clearly higher than that of the real estate business. At the same time, their valuation is supported by the company's strong track record, particularly in van rentals, and clear synergies with the self-storage business.

Overall, we see the valuation as currently very attractive. We forecast adjusted operating EPS to grow at an annual rate of around 16% in 2026-2030 (CAGR). Earnings growth and a dividend yield of around 1% thus already exceed our required return on equity of 9.0% on their own, even if valuation multiples were not to rise. The share price is currently around 20% below the IPO price of EUR 16.00. According to our assessment, the decline in the share price is largely due to the sale of Feut AS shares, in which management and the board of directors also purchased a significant block of shares at a price of EUR 13.75. We believe the company will be able to continue making profitable investments in line with its strategy, which, in our view, makes the current share price extremely attractive. In the short term, we estimate that the stock's rise will be slowed by the risk of a mild profit warning and the very weak sentiment in the listed real estate market resulting from rising interest rates. We are initiating coverage with a target price of EUR 17.00, which is in the middle of our fair value range (EUR 15.4–19.1), and a Buy recommendation.

Factors affecting the acceptable valuation

In our view, the factors that positively impact the valuation of Cityvarasto's stock are:

- An excellent historical track record of profitable growth and a short-term growth outlook superior to that of its peers
- Very strong market position in Finland, which also makes the company an attractive M&A target
- A light, efficient, and entrepreneurial organization and business model
- Proven resilience of the business to economic cycles
- Existing conversion potential of over 20,000 m² in the real estate portfolio

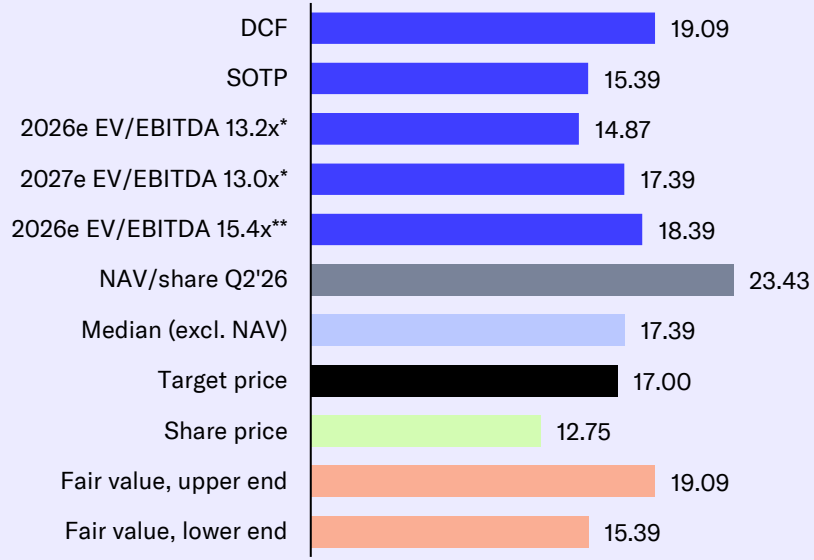
Factors that, in turn, negatively impact valuation, in our opinion, are:

- The large share of the van rental and moving services business decreases the acceptable group-level multiples
- Small size and low liquidity relative to peers
- High dependence on key personnel; strong concentration of ownership with the CEO underscores the risk
- Dependence on the development of the Finnish economy in the long term due to business concentration
- A property portfolio that is older than that of its peers, as well as a high proportion of premises and ancillary services

Valuation	2026e	2027e	2028e
Share price	12.8	12.8	12.8
Number of shares, millions	7.99	7.99	7.99
Market cap	102	102	102
EV	148	148	147
P/E (adj.)	15.4	10.5	9.9
P/E	17.0	10.5	9.9
P/E (operational)	14.6	12.1	10.5
P/B	0.6	0.6	0.6
P/S	3.3	3.0	2.8
EV/Sales	4.7	4.3	4.0
EV/EBITDA	12.2	10.2	9.2
EV/EBIT (adj.)	14.5	10.4	9.8
Payout ratio (%)	16.0 %	10.7 %	10.9 %
Dividend yield-%	0.9 %	1.0 %	1.1 %

Source: Inderes

Valuation summary, EUR per share



* Theoretical multiple based on the share of ancillary services.
** Median of European self-storage peers.

Source: Inderes

Valuation 2/4

DCF model indicates significant undervaluation

In our opinion, the cash flow model (DCF) is the most appropriate valuation method for the company because it fully considers investments. We estimate that the self-storage floor area will grow by 42% from the current level. Cityvarasto's projected cash flow from rent serves as a good starting point for the model in our view. Our DCF model indicates a share value of EUR 19.1, about 50% above the current share price (EUR 12.75) This value is higher than that of our sum-of-the-parts calculation (EUR 15.4) because the model also prices in the value creation of future investments. According to the company, the yield on cost for established facilities is approximately 15–16%, which clearly exceeds our cost of capital of 7.2%. The return on invested capital appears low because it is calculated on capital that has risen to fair value, which we do not consider a relevant figure in absolute terms.

Over the 2026-2030 forecast period, revenue is estimated to grow by an average of around 9% per year, after which growth will gradually slow from 5% to a terminal growth rate of 2% in 2031-2035. The EBIT margin will rise to 42.8% in 2030, then settle cautiously at 37.5% in the terminal period. A terminal weight of around 75% is typical for a real estate business but makes the value sensitive to long-term assumptions. According to our sensitivity calculation, a 0.5 percentage point change in the cost of capital shifts the value to a range of EUR 16.7–22.0.

In our calculation, we decrease free cash flow by the rents of leased properties, which are presented below EBITDA as a change in fair value according to IFRS 16 (2025: -1.1 MEUR). Conversely, we do not deduct lease liabilities (12/31/2025: 8.4 MEUR) from net debt to avoid double-counting the same item. In our view, this provides a better picture of actual cash flow, as contracts will continue to be renewed.

The average cost of capital (WACC) used is 7.2% and the cost of equity is 9.0%. The low WACC is backed by low-cost debt secured by real estate (4.6%). However, pricing the DCF value on the stock exchange requires continuous evidence of returns on new investments.

Our SOTP calculation accounts for the differences between the businesses

In our sum-of-the-parts calculation, we value the real estate business and ancillary services separately because the profitability and capital requirements of the segments differ significantly. Group expenses are included in the segment figures in accordance with the company's reporting.

We value the real estate business based on adjusted EBITDA for the next 12 months (10.8 MEUR) and an EV/EBITDA multiple of 14x, resulting in a debt-free value of 151 MEUR. This multiple corresponds to an EBITDA yield of approximately 7.1%, which exceeds the external appraiser's net required return of 6.6%. Additionally, we have deducted personnel, marketing, and administrative expenses not included in the net yield of real estate from the segment's EBITDA, which leads us to consider the multiple moderate. The multiple we use is slightly below the peer-based level of 15x, reflecting the company's small size, lower margins compared to peers, and Finland-centric focus. In our view, the multiple is conservative due to the company's better growth outlook and superior return on capital compared to its peers.

We derive the multiple for ancillary services from the EBIT level (EV/EBIT of 10x) because depreciation of vans accounts for around 60% of the segment's EBITDA. The multiple corresponds to an EV/EBITDA of around 4.0x, and the segment's debt-free value is 10.5 MEUR. The segment's current lower-than-historical profitability level introduces a certain degree of caution to the valuation.

DCF model assumptions

	2026e	2030e	Terminal
Revenue growth	15.2%	6.4%	2.0%
Adj. EBITDA-%	40.5%	46.6%	46.6%
EBIT %	30.5%	42.8%	37.5%
Investment, MEUR	12.4	9.0	4.7
Required return (WACC)	7.2%	7.2%	7.2%

Source: Inderes ROIC excluding fair value changes, terminal EPS and ROIC for 2035e. The EBIT margin includes the development margin, which is why it decreases upon contraction.

Sum-of-the-parts calculation

	MEUR
Real estate business (14x EV/EBITDA)	151.3
Ancillary services (10x EV/EBIT, 4x EV/EBITDA)	10.5
LTM real estate investments	9.4
Total enterprise value	**171.2**
Adjusted net debt	-48.3
Value of entire stock	**122.9**
Value per share, EUR	**15.39**
Implicit P/NAV	0.66x

Source: Inderes NTM = Q3'26-Q2'27e. Net debt includes lease liabilities and purchase prices paid in Q3'26.

Valuation 3/4

We have added the real estate investments from the past 12 months (9.4 MEUR) to the calculation at acquisition cost, as the acquired and convertible facilities will only start generating stronger returns after their conversion into self-storage facilities. However, the already income-generating Kenguruvarastot and the Kangasala property are included in our EBITDA forecast, and their estimated purchase prices have been added to net debt. Since IFRS EBITDA does not include rent expenses, we are also adding lease liabilities (9.1 MEUR) to the net debt, which brings the adjusted net debt to 48.3 MEUR. According to our estimates, the present value of the development margin for the conversion potential of over 20,000 m^2 is approximately 9 MEUR, or about EUR 1.1 per share (EUR 0.7–1.4), and this is not included in our sum-of-the-parts calculation. We therefore consider the calculation to be cautious overall.

The model yields a share capital value of 122.9 MEUR, or EUR 15.4 per share. This is ~21% above the current share price and ~34% below the company's reported NAV (EUR 23.43 per share). While the discount is significant, investors should note that European self-storage companies are also valued well below their book values (P/B 0.50x).

Valuation is attractive also in light of peers

We compare Cityvarasto to three peer groups: European self-storage companies (Shurgard, Big Yellow, and Safestore), self-storage companies in other countries, and Swedish logistics and mixed-property companies. In our view, the latter group represents Cityvarasto's portfolio of commercial premises. We use the EV/EBITDA ratio as the primary metric because the P/E and P/B ratios of US REITs cannot be compared with those of IFRS companies due to US GAAP accounting. The peers' multiples are based on Bloomberg's consensus estimates for the next 12 months. Our peer table is based on Refinitiv data, so its figures may differ slightly.

Based on our estimates, Cityvarasto's EV/EBITDA multiple is 11.6x in 2026 and 10.2x in 2027. These multiples are 25–33% below the median of European self-storage peers (15.4x and 15.2x) and 27–33% below the median of all self-storage companies (15.9x). The discount on Swedish real estate companies (16.6x) is similar in magnitude. On the other hand, the P/E ratio based on adjusted operating earnings (14.6x and 12.1x) is close to the level of European peers (13.5x and 12.9x).

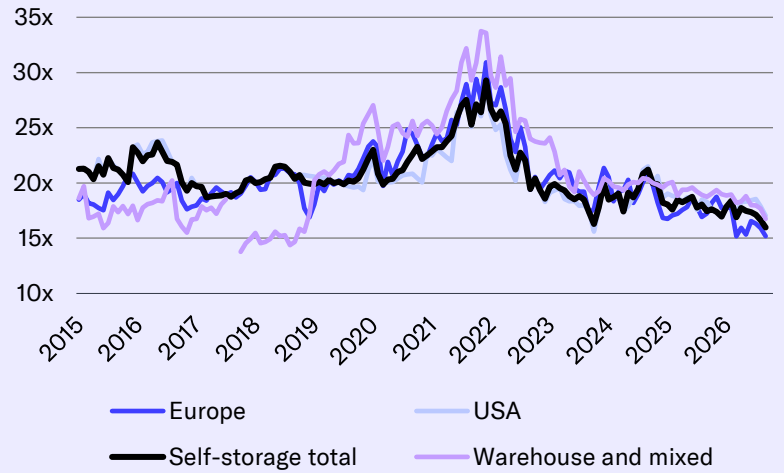
Overall, we believe the discount relative to peers is too large, considering the company's growth profile. We estimate that Cityvarasto's revenue will grow by 15% in 2026 and by 9% in 2027, whereas the median growth rate of European peers in their most recent fiscal year was 5%. Conversely, the group's adjusted EBITDA margin (2026e: 40.5%) remains well below the peers' level of 59% due to the lower profitability of ancillary services. Additionally, Cityvarasto's market capitalization of just over 100 MEUR is a fraction of its peers' (1.3–2.2 BEUR), which decreases the acceptable valuation level.

Valuation is also depressed by an older real estate portfolio than that of peers, a high share of commercial premises, and business concentration in a single country. Meanwhile, it is supported by growth that is clearly faster than that of its peers, a strong market position in Finland, and existing conversion potential. Overall, we consider an EV/EBITDA multiple of approximately 14–15x to be justified for the real estate business, which is around or slightly below the European peer median. For ancillary services, we accept a 10x EV/EBIT multiple (4x EV/EBITDA). Based on peer valuation and the share of ancillary services, Cityvarasto's theoretically justified valuation level would be an EV/EBITDA of 13x in 2026–27, implying an upside of 17–36%. We also see upside potential in the valuation level in light of the peers.

M&A is an option, but the founder holds the key

We also believe Cityvarasto carries an M&A option, as Nordic self-storage platforms have attracted interest from major international players. In 2021, Nuveen acquired the Swedish company 24Storage, for which Shurgard also made a competing offer, and in 2023, the Norwegian company Self Storage Group (SSG). In the two most recent stock market transactions (SSG and Lok'nStore acquired by Shurgard), the enterprise value was around 21–28x EBITDA and the premium to the previous closing price was 16–67%. Following SSG's departure, Cityvarasto is practically the only listed Nordic self-storage company, and its strong brand and market leadership in Finland make it an attractive acquisition target. Several real estate companies, such as Sponda, Technopolis, and Hoivatilat, have also been delisted from Nasdaq Helsinki following takeover bids. However, this option will only be realized if founder and CEO Ville Stenroos, who owns ~47%, is willing to sell, which we estimate would require a significant premium over the current price.

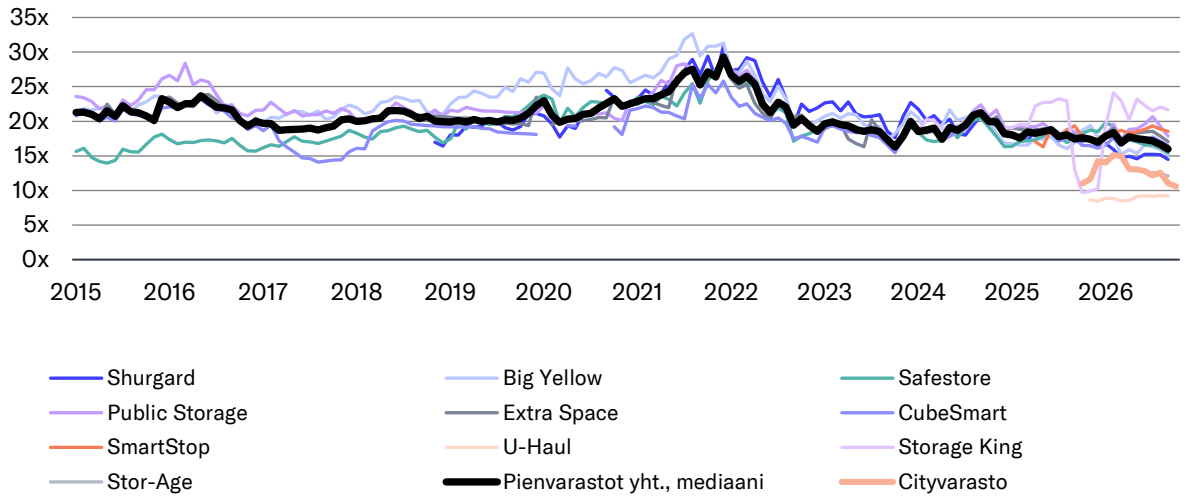
Peer NTM EV/EBITDA multple,
2015–2026, median



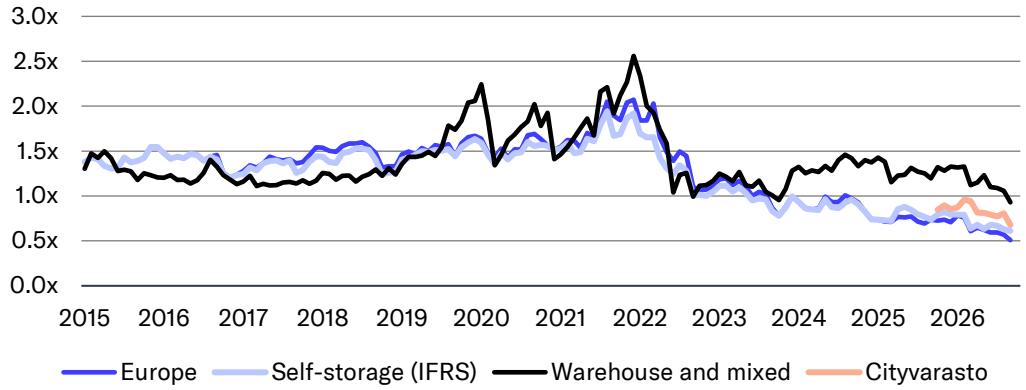
Source: Bloomberg, Inderes

Valuation 4/4

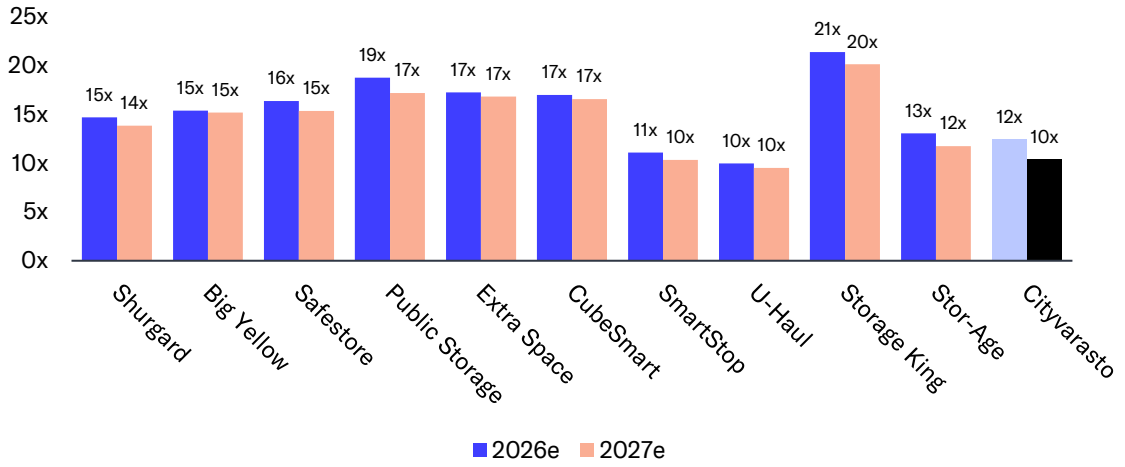
Self-storage peers' NTM EV/EBITDA multiple,
2015–2026



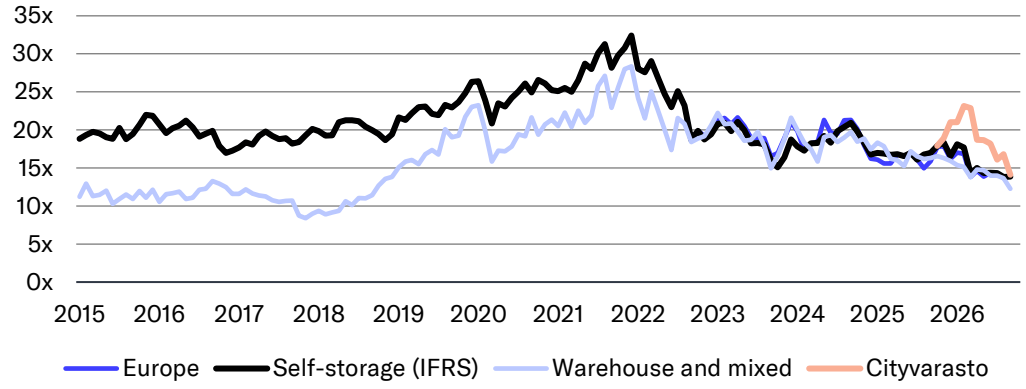
Peers' P/B ratio,
2015–2026, median



Self-storage peers' EV/EBITDA, 2026e–2027e



Peers' NTM P/E ratio,
2015–2026, median



Source: Bloomberg, Inderes. Peer multiples are monthly medians based on Bloomberg consensus estimates. Cityvarasto's NTM multiples (EV/EBITDA and P/E) are calculated using Bloomberg market data and Inderes estimates (actual figures for realized quarters). The P/E and P/B ratios only include companies that report under IFRS

Peer group valuation

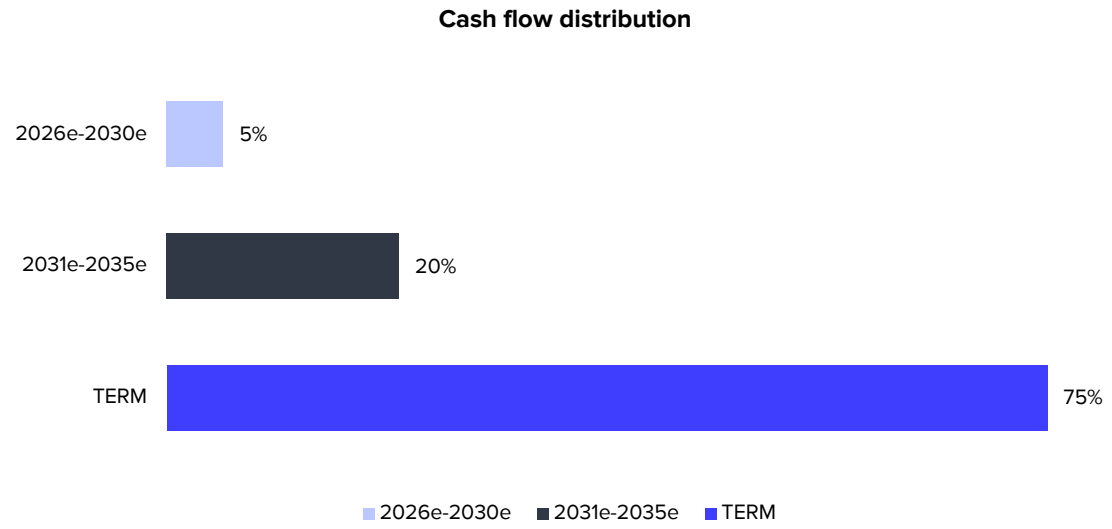
Peer group valuation	Market cap	EV	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
Company	**MEUR**	**MEUR**	**2026e**	**2027e**	**2026e**	**2027e**	**2026e**	**2027e**	**2026e**	**2027e**	**2026e**	**2027e**	**2026e**
Shurgard Self-Storage Ltd	2257	3981	13.5	11.5	14.9	14.1	8.7	8.5	13.6	12.9	5.2	5.2	0.5
Big Yellow Group plc	1860	2442	13.4	14.5	15.4	15.2	10.5	10.1	13.5	13.7	6.0	5.9	0.6
Safestore Holdings plc	1288	2589	17.0	15.5	16.4	15.4	8.8	8.7	12.2	11.9	6.2	6.4	0.5
Public Storage	48375	61019	29.3	27.2	19.0	17.4	13.9	12.9	28.6	28.4	4.2	4.3	4.9
Extra Space Storage Inc	25408	37735	24.9	24.1	17.4	16.9	13.4	12.6	29.4	25.8	4.8	5.0	2.2
CubeSmart	7636	10838	26.5	25.6	17.1	16.7	11.0	10.6	25.4	24.4	5.6	5.8	3.3
SmartStop Self Storage	1624	1624	16.2	14.9	11.1	10.4	6.0	6.0	54.0	59.9	4.9	4.9	
U-Haul Holding Co	8866	15126	36.9	25.9	9.9	9.5	2.8	2.7	73.6	53.8			1.5
Storage King Group	880	1675	21.4	20.4	21.4	20.1	11.2	10.5	17.3	21.5	5.7	4.4	0.6
Stor-Age Property REIT Ltd	431	646	9.2	9.2	13.1	11.8	8.6	7.9	12.0	11.5	7.7	8.1	
Emilshus	501	501	6.8	6.4	6.8	6.4	5.0	4.8	14.5	12.7			1.0
NP3 Fastigheter	1208	2781	16.7	15.7	17.0	15.9	12.3	11.6	13.4	12.6	3.0	3.1	1.3
Stendörren Fastigheter	404	1386	17.1	15.8	17.1	15.9	12.5	11.6	9.3	8.3			0.8
Stenhus Fastigheter i Norden	319	1033	14.7	14.5	14.7	14.4	11.2	10.8	7.2	7.1	3.0	3.5	0.6
Sagax	5252	8801	17.9	16.5	20.3	19.0	17.5	16.1	14.0	13.2	2.4	2.5	1.3
Catena	1971	4213	18.3	16.1	18.2	16.6	14.9	13.6	11.7	10.8	3.1	3.2	0.8
Logistea	542	1340	14.1	12.9	14.0	12.9	11.7	10.8	10.3	9.5	2.2	2.5	0.7
SLP – Swedish Logistic Property	678	1547	16.7	15.5	16.2	15.0	13.9	12.8	10.5	8.9			0.9
Cityvarasto Plc (Inderes)	**102**	**148**	**14.5**	**10.4**	**12.2**	**10.2**	**4.7**	**4.3**	**15.4**	**10.5**	**0.9**	**1.0**	**0.6**
Average			**18.4**	**16.8**	**15.6**	**14.6**	**10.8**	**10.1**	**20.6**	**19.3**	**4.6**	**4.6**	**1.3**
Median			**16.9**	**15.6**	**16.3**	**15.3**	**11.2**	**10.7**	**13.6**	**12.8**	**4.9**	**4.6**	**0.8**
Diff-% to median			***-14%***	***-33%***	***-25%***	***-33%***	***-58%***	***-60%***	***14%***	***-18%***	***-81%***	***-78%***	***-25%***
Average eurooppalaiset pienvarastoverrokit			**14.6**	**13.8**	**15.6**	**14.9**	**9.3**	**9.1**	**13.1**	**12.8**	**5.8**	**5.8**	**0.5**

DCF-calculation

DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	TERM
Revenue growth-%	21.1 %	15.2 %	8.9 %	7.1 %	6.8 %	6.4 %	5.0 %	4.0 %	3.0 %	2.5 %	2.0 %	2.0 %
EBIT-%	57.3 %	30.5 %	41.6 %	40.9 %	42.3 %	42.8 %	38.6 %	38.5 %	38.3 %	37.9 %	37.5 %	37.5 %
EBIT (operating profit)	**15.6**	**9.5**	**14.2**	**14.9**	**16.5**	**17.7**	**16.8**	**17.5**	**17.9**	**18.1**	**18.3**	
+ Depreciation	-4.6	1.3	-0.9	-0.2	-0.1	0.4	2.3	2.4	2.6	2.9	3.1	
- Paid taxes	-0.1	-1.3	-1.5	-1.8	-2.0	-2.3	-2.5	-2.7	-2.7	-2.8	-2.9	
- Tax, financial expenses	-0.4	-0.4	-0.4	-0.4	-0.5	-0.5	-0.4	-0.4	-0.4	-0.4	-0.4	
+ Tax, financial income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Change in working capital	-0.6	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	
Operating cash flow	**9.7**	**9.3**	**11.4**	**12.7**	**14.1**	**15.5**	**16.3**	**16.9**	**17.4**	**17.9**	**18.2**	
+ Change in other long-term liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-11.0	-12.4	-10.0	-9.7	-9.9	-8.9	-5.2	-5.2	-5.3	-5.1	-4.7	
Free operating cash flow	**-1.3**	**-3.1**	**1.4**	**3.0**	**4.2**	**6.5**	**11.1**	**11.7**	**12.2**	**12.8**	**13.5**	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	-1.3	-3.1	1.4	3.0	4.2	6.5	11.1	11.7	12.2	12.8	13.5	265
Discounted FCFF		**-3.1**	**1.3**	**2.6**	**3.3**	**4.9**	**7.7**	**7.6**	**7.4**	**7.2**	**7.1**	**140**
Sum of FCFF present value		186	189	188	185	182	177	169	162	154	147	140
Enterprise value DCF		**186**										
- Interest bearing debt		-42.4										
+ Cash and cash equivalents		9.6										
+ Associated companies		0.0										
-Minorities		0.0										
-Dividend/capital return		-0.9										
Equity value DCF		**152**										
Equity value DCF per share		**19.1**										

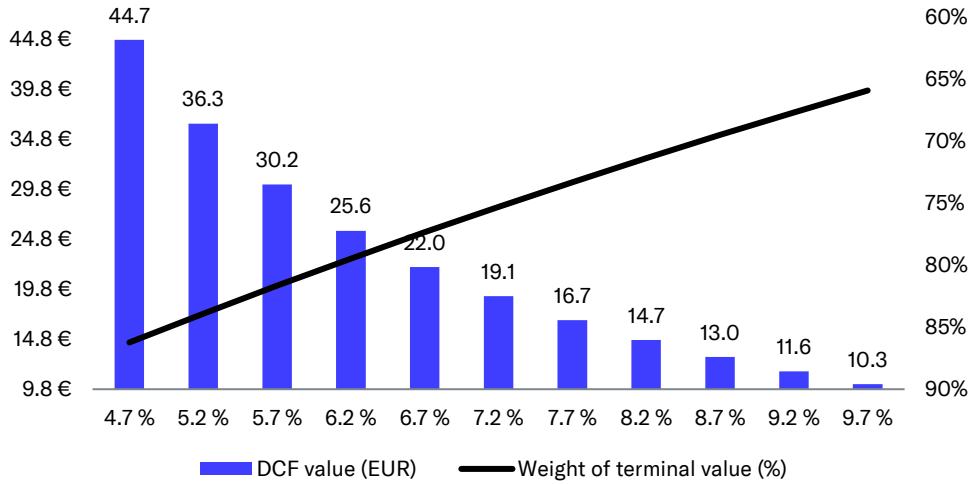
WACC	
Tax-% (WACC)	18.0 %
Target debt ratio (D/(D+E)	35.0 %
Cost of debt	4.6 %
Equity Beta	0.95
Market risk premium	4.75%
Liquidity premium	2.00%
Risk free interest rate	2.5 %
Cost of equity	**9.0 %**
Weighted average cost of capital (WACC)	**7.2 %**

Source: Inderes

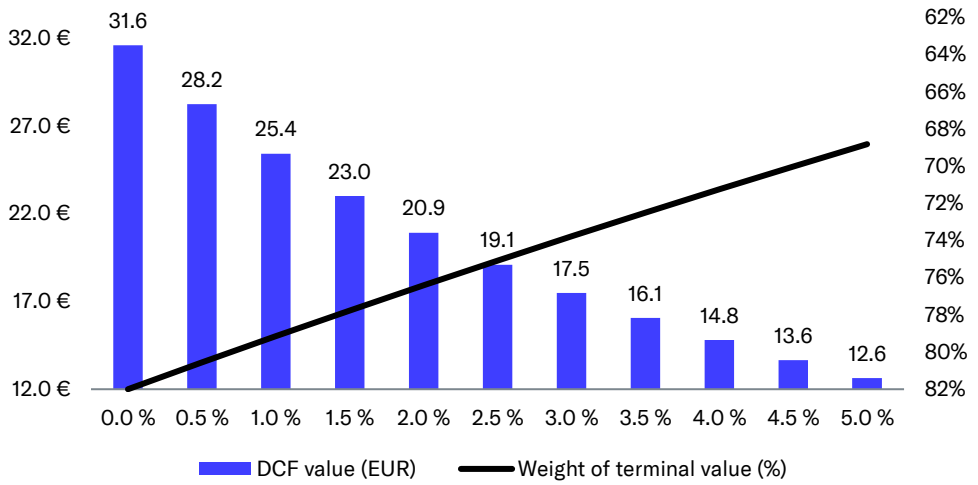


DCF sensitivity calculations and key assumptions in graphs

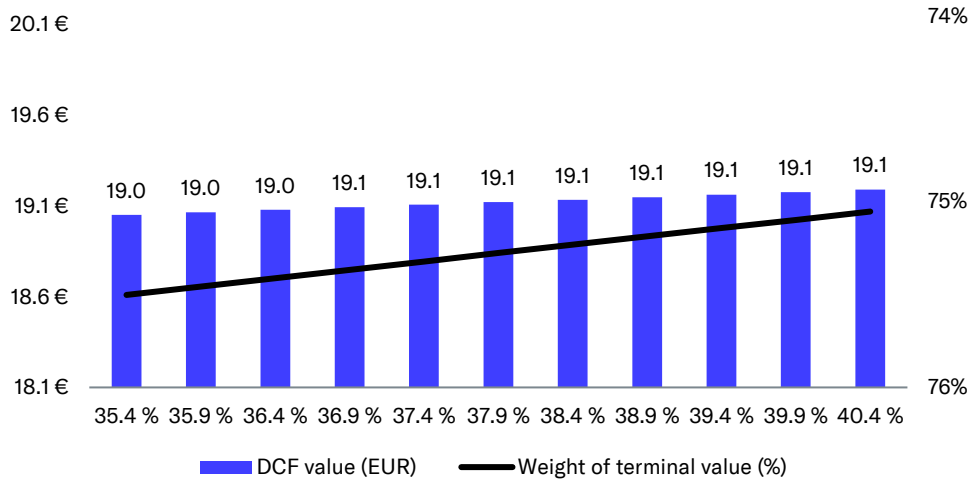
Sensitivity of DCF to changes in the WACC-%



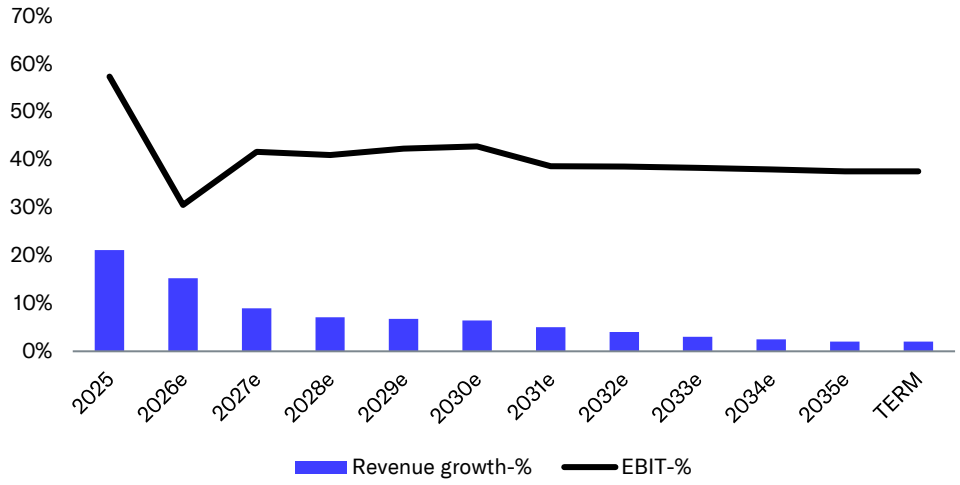
Sensitivity of DCF to changes in the risk-free rate



Sensitivity of DCF to changes in the terminal EBIT margin



Growth and profitability assumptions in the DCF calculation

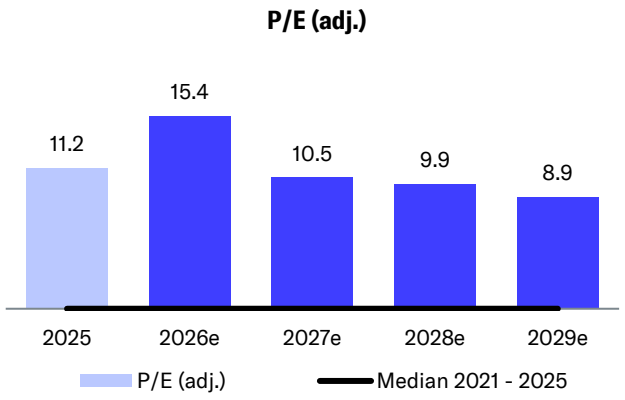


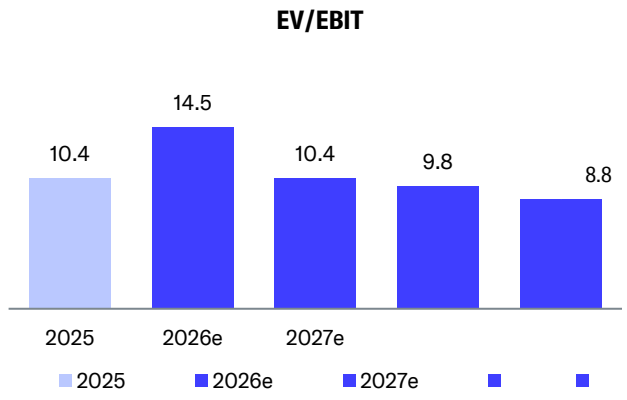
Source: Inderes. Note that the weight of the terminal value (%) is shown on an inverse scale for clarity.

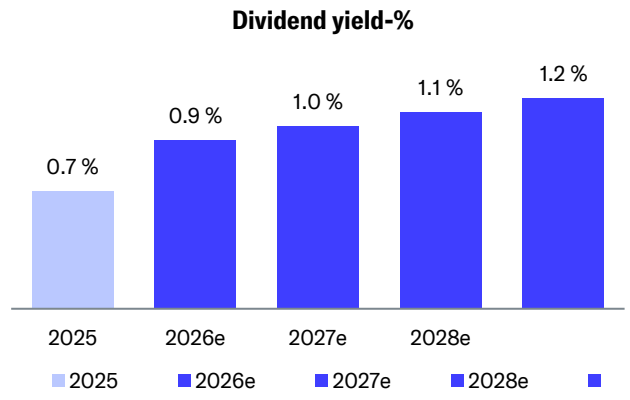
Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price					16.7	**12.8**	**12.8**	**12.8**	**12.8**
Number of shares, millions					7.99	**7.99**	**7.99**	**7.99**	**7.99**
Market cap					133	**102**	**102**	**102**	**102**
EV					175	**148**	**148**	**147**	**144**
P/E (adj.)					11.2	**15.4**	**10.5**	**9.9**	**8.9**
P/E					12.5	**17.0**	**10.5**	**9.9**	**8.9**
P/E (operational)					21.2	**14.6**	**12.1**	**10.5**	**9.1**
P/B					0.9	**0.6**	**0.6**	**0.6**	**0.5**
P/S					4.9	**3.3**	**3.0**	**2.8**	**2.6**
EV/Sales					6.4	**4.7**	**4.3**	**4.0**	**3.7**
EV/EBITDA					16.0	**12.2**	**10.2**	**9.2**	**8.2**
EV/EBIT (adj.)					10.4	**14.5**	**10.4**	**9.8**	**8.8**
Payout ratio (%)					8.2 %	**16.0 %**	**10.7 %**	**10.9 %**	**10.5 %**
Dividend yield-%					0.7 %	**0.9 %**	**1.0 %**	**1.1 %**	**1.2 %**

Source: Inderes







The market cap and enterprise value in the table consider the expected change in the number of shares and net debt for the forecast years.

Summary

Income statement	2023	2024	2025	2026e	2027e
Revenue	18.5	22.4	27.1	**31.3**	**34.1**
EBITDA	7.7	10.0	10.9	**12.0**	**14.4**
EBIT	9.9	67.0	15.6	**9.5**	**14.2**
PTP	7.9	64.3	13.1	**7.5**	**11.9**
Net Income	6.3	51.6	10.7	**6.0**	**9.7**
Extraordinary items	0.0	-0.1	-1.2	**-0.6**	**0.0**

Balance sheet	2023	2024	2025	2026e	2027e
Balance sheet total	144.5	217.4	241.9	**242.9**	**252.7**
Equity capital	80.5	131.5	156.0	**161.1**	**169.9**
Goodwill	0.3	0.3	0.3	**0.3**	**0.3**
Net debt	43.8	51.8	41.2	**45.7**	**45.9**

Cash flow	2023	2024	2025	2026e	2027e
EBITDA	7.7	10.0	10.9	**12.0**	**14.4**
Change in working capital	1.4	0.4	-0.6	**0.2**	**0.1**
Operating cash flow	22.6	9.9	9.7	**9.3**	**11.4**
CAPEX		-15.1	-11.0	**-12.4**	**-10.0**
Free cash flow		-5.2	-1.3	**-3.1**	**1.4**

Valuation multiples	2023	2024	2025	2026e	2027e
EV/S			6.4	**4.7**	**4.3**
EV/EBITDA			16.0	**12.2**	**10.2**
EV/EBIT (adj.)			10.4	**14.5**	**10.4**
P/E (adj.)	0.0	0.0	11.2	**15.4**	**10.5**
P/B	0.0	0.0	0.9	**0.6**	**0.6**
Dividend-%			0.7 %	**0.9 %**	**1.0 %**

Source: Inderes

Per share data	2023	2024	2025	2026e	2027e
EPS (reported)	0.89	7.32	1.34	**0.75**	**1.22**
EPS (adj.)	0.89	7.33	1.49	**0.83**	**1.22**
OCF / share	3.21	1.40	1.22	**1.17**	**1.43**
OFCF / share	-16.50	-0.74	-0.16	**-0.39**	**0.18**
Book value / share	11.42	18.65	19.53	**20.17**	**21.27**
Dividend / share	0.09	0.10	0.11	**0.12**	**0.13**

Growth and profitability	2023	2024	2025	2026e	2027e
Revenue growth-%	11%	21%	21%	**15%**	**9%**
EBITDA growth-%	31%	30%	9%	**10%**	**20%**
EBIT (adj.) growth-%	-2%	577%	-75%	**-39%**	**39%**
EPS (adj.) growth-%	-18%	720%	-80%	**-44%**	**47%**
EBITDA-%	41.7 %	44.7 %	40.2 %	**38.5 %**	**42.4 %**
EBIT (adj.)-%	53.6 %	299.3 %	61.7 %	**32.5 %**	**41.6 %**
EBIT-%	53.6 %	299.0 %	57.3 %	**30.5 %**	**41.6 %**
ROE-%	15.7 %	48.7 %	7.5 %	**3.8 %**	**5.9 %**
ROI-%	15.7 %	43.0 %	7.9 %	**4.6 %**	**6.7 %**
Equity ratio	55.7 %	60.5 %	64.5 %	**66.3 %**	**67.2 %**
Gearing	54.4 %	39.4 %	26.4 %	**28.4 %**	**27.0 %**
Net debt/EBITDA	5.7	5.2	3.8	**3.8**	**3.2**
EBITDA/net financials	3.9	3.6	4.5	**5.9**	**6.3**

The market cap and enterprise value in the table consider the expected change in the number of shares and net debt for the forecast years. Per-share figures are calculated using the number of shares at year-end.

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Accumulate	The 12-month risk-adjusted expected shareholder return of the share is attractive
Reduce	The 12-month risk-adjusted expected shareholder return of the share is weak
Sell	The 12-month risk-adjusted expected shareholder return of the share is very weak

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Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
10/13/2026	Buy	17.00 €	12.75 €



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