



Q3 2022

INTERIM REPORT 1 JANUARI - 30 SEPTEMBER 2022

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THIRD QUARTER 2022

- Net sales increased by 23.3 percent to SEK 34.0 M (27.6).
- Gross profit/loss increased by 17 percent to SEK 13.7 M (11.7). Gross margin amounted to 40.3 percent (42.5).
- Operating profit/loss before value changes amounted to SEK 8.4 M (5.2).
- Value changes in investment properties totalled SEK 0.6 M (9.5).
- Profit/loss for the period amounted to SEK -9.7 M (-2.7).
- Per Sjöblom, new CFO started his position on 1 September.
- Effective from 1 July, the employees in the 24Storage Group, have been transferred to a related service company, Nugreen Services AB.
- Since 1 July, the 24Storage Group purchases development services, management services and operational services from Nugreen Services AB on market terms.
- Together with transfer of employees from 24Storage Group, office equipment, holiday pay

debt and deposit also have been transferred at market value to Nugreen Services AB.

- During the fourth quarter 2022, most of the leasing assets will be transferred to Nugreen Services AB. On 30 September 2022, these leasing assets therefore have been classified as short-term leases and removed from the Balance Sheet.
- Severance package to the resigned CEO was paid during the quarter.

JANUARY - SEPTEMBER 2022

- Net sales increased by 25.8 percent to SEK 97.1 M (77.2).
- Gross profit/loss increased to SEK 39.9 M (26.9) and gross margin increased to 41.1 percent (34.8).
- Operating profit/loss before value changes amounted to SEK 14.8 M (0.7).
- Value changes in investment properties totalled SEK 165.9 M (99.9).
- Profit/loss for the period amounted to SEK 96.4 M (41.3).

Group key performance indicators	Q3		Jan-Sep		Full year
	2022	2021	2022	2021	2021
Net sales, SEK M	34.0	27.6	97.1	77.2	106.4
Gross margin, percent	40.3	42.5	41.1	34.8	36.3
Property value, SEK M	2,248	1,576	2,248	1,576	2,027
Lettable space self storage, square metres	74,813	66,499	74,813	66,499	69,681
Rental income per let square metre, SEK	2,218	2,102	2,182	2,074	2,066
Occupancy rate (area), percent	71.4	72.9	71.4	72.9	70.3
Loan-to-value ratio, percent	48.8	58.9	48.8	58.9	49.7
Equity ratio, percent	40.6	30.9	40.6	30.9	38.9
Long-term net asset value (EPRA, NAV), SEK	78.36	45.06	78.36	45.06	69.74

FINANCIAL PERFORMANCE - THIRD QUARTER 2022

Performance in the quarter

The third quarter was characterised by stable progress, growth and improved margins thanks to increased maturity for the company's facilities. A slightly slowdown in new lettings was noted towards the end of the quarter.

The total occupancy rate amounted to 71.4 percent (72.9) for the quarter. It is a noticeable stable occupancy rate, in light of the fact that several new facilities opened during later part of 2021, together with the new facility Högsbo opening mid-March 2022. An initially lower occupancy rate is natural and a short-term consequence of the company's growth strategy.

The average rent per lettable square metre increased to SEK 2,218 (2,102) during the second quarter. Even though the average rent per lettable square metre has been negatively affected by the new facility Högsbo opened in mid-March.

The deteriorating geopolitical situation and the conflict in Ukraine has no noticeable negative effects on operations. 24Storage follows the development regarding the conflict, and continuously evaluate the extent to which this can affect operations in the short term and long term. Risks that may increase as a result of the war in Ukraine and if the conflict becomes more protracted over time, are delays and increases in costs of ongoing and future construction projects due to lack of components and building materials for example steel and wood products.

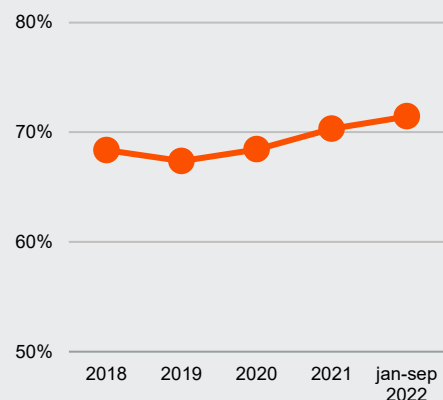
Net sales

Net sales increased by 23.3 percent to SEK 34.0 M (27.6). At the same time, operating expenses increased by 28.0 percent. The negative impact of the partial increased in operating expenses are attributed by reallocation of administrative costs. Gross profit/loss increased to SEK 13.7 M (11.7).

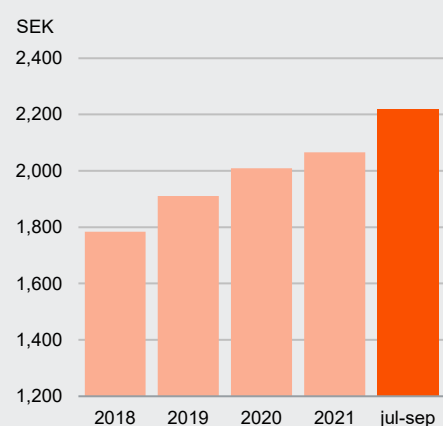
Administrative expenses amounted to SEK -5.3 M (-6.5).

Administrative expenses include depreciation and of SEK -1.1 M (-2.5), mainly attributable to the company's ERP system and operation of SEK -2.4 M (4.3), The reallocation of administration costs to operating costs also affects here. On June 30, 2022, capitalized costs for project management were included. From 1 July 2022, Nugreen Services AB has the responsibility for project management and thus reduces capitalized costs for project management.

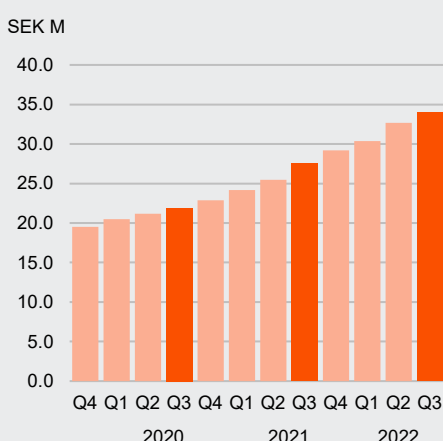
Occupancy rate, area



Rental income per let m²



Net sales per quarter



Operating profit/loss

From 1 July 2022, the service company Nugreen Services AB supports the Group with services such as personnel, IT and marketing. Nugreen Services AB invoices 24Storage Group on market terms for these services. This affects gross profit/loss negatively from that date, as these services are allocated to operating costs. Until June 30, 2022, part of these costs were classified as administrative costs. The amount allocated from administration costs to operating costs amounts to SEK 9.3 M.

Operating profit/loss before changes in value of investment properties amounted to SEK 8.4 M (5.2). Unrealised value changes in investment property amounted to SEK 0.6 M (9.5) in the period.

The change in fair value is marginally adjusted compared to the second quarter and can mainly be explained by improved future operating net. Operating profit/loss after changes in the value of investment properties amounted to SEK 8.9 M (14.8).

Net financial income/expense amounted to SEK -16.9 M (-15.0).

Profit/loss after tax amounted to SEK -9.7 M (-2.7).

Tax

The Group reported a negative net tax effect of SEK -1.8 M (-2.5).

The net amount comprises deferred tax on temporary differences in deficits, differences between accounting records and tax depreciation on properties and unrealised value changes (see Note 9).

Cash flow

Total cash flow for the Group amounted to SEK -28.6 M (67.6), of which cash flow from operating activities was SEK -15.6 M (-25.9).

Cash flow from investing activities amounted to SEK -13.2 M (-24.2), mainly due to ongoing construction projects.

Financing activities contributed SEK 0.2 M (117.7), of which interest-bearing liabilities increased by net SEK 2.9 M (118.9).

FINANCIAL PERFORMANCE JANUARY – JUNE 2022

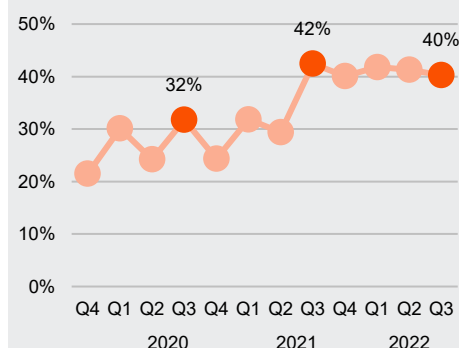
Net sales

Net sales increased by 25.8 percent to SEK 97.1 M (77.2). At the same time, operating expenses increased by only 13.7 percent, due to the scalability of the business model. Gross profit/loss increased to SEK 39.9 M (26.9) despite higher operating and maintenance costs of SEK 8.6 M (7.7), see Note 4, due to higher maintenance costs compared to the previous year. The gross margin increased to 41.1 percent (34.8).

Administrative expenses amounted to SEK -25.2 M (-26.2).

Administrative expenses include depreciation of SEK -5.2 M (-8.1) and capitalised costs of SEK 5.1 M (11.8), which primarily relate to project management in connection with acquisitions and construction, conversion and extensions of self storage facilities. Capitalised costs for project management have decreased compared to previous periods since from July 1, Nugreen Services AB is

Gross margin per quarter



responsible for project management, thus capitalized costs are reduced.

Operating profit/loss

From 1 July 2022, the service company Nugreen Services AB supports the 24Storage Group with services such as personnel, IT and marketing. Nugreen Services AB invoices the Group for these services. This negatively affects net sales from the date, as these services have been reallocated to operating costs. Until June 30, 2022, part of these costs were allocated as administrative costs.

Operating profit/loss before value change in investment properties amounted to SEK 14.8 M (0.7). Unrealised value changes in investment properties amounted to SEK 165.9 M (99.9). The value growth was mainly driven by reduced required rates of return and improved future operating net. Operating profit/loss after value changes in investment properties amounted to SEK 180.7 M (100.6). Profit/loss after tax amounted to SEK 96.4 M (41.3).

Net financial income/expense

Net financial income/expense amounted to SEK -47.6 M (-39.5). Rental expenses increased mainly due to higher interest-bearing liabilities and higher interest rates. The average interest rate was 5.1 percent (4.8).

Tax

The Group reported a negative net tax effect of SEK -36.7 M (-19.8). The net amount comprises deferred tax on temporary differences in deficits, differences between accounting records and tax depreciation on properties and unrealised value changes (see Note 9).

Cash flow

Total cash flow for the Group amounted to SEK -78.2 M (23.6), of which cash flow from operating activities was SEK -25.4 M (-26.7). The negative cash flow from operating activities was a result of the business being in a growth phase.

Cash flow from investing activities amounted to SEK -59.2 M (-134.3), mainly due to ongoing construction projects.

Financing activities contributed SEK 6.5 M (184.5), of which bank loans increased by net SEK 9.1 M (188.2).

FINANCIAL POSITION

The company's total assets at the end of the quarter amounted to SEK 2,336.7 M (2,195.6).

Fixed asset

The company's fixed assets amounted to SEK 2,262.4 M (2,047.3). At the end of the period, the recognised fair value of the Group's property portfolio was SEK 2,248.2 M (2,027.2), including leased investment properties of SEK 32.0 M (39.8). Of that amount SEK 12.0 M (-) refers to assets held for sale. The portfolio comprised 27 operational storage facilities, see list on page 20, as well as ongoing projects, i.e. stores at the planning stage or new constructions, conversions or extensions.

Change in book value investment properties, SEK M

	30 Sep 2022	30 Sep 2021	31 Dec 2021
At start of period	2,027.2	1,341.4	1,341.4
Acquisitions during the period	-	30.7	54.8
Disposals during the period	-	-	-21.3
Investments in construction projects etc.	56.7	105.2	142.4
Depreciation	-1.6	-1.6	-2.1
Unrealised value changes	165.9	99.9	512.1
At end of period	2,248.2	1,575.6	2,027.2

Intangible assets amounted to SEK 5.1 M (9.6), and mainly comprised capitalised expenditure relating to the development of the Group's ERP system. Right of use assets, in addition to rented investment properties, totalled SEK 0.0 M (1.1). During the fourth quarter, Nugreen Services AB will take over the Group's leasing contracts for cars. As of September 30, the Group's lease contracts have therefore been considered short-term contracts and removed from the Balance Sheet. Property, plant and equipment totalled SEK 8.8 M (8.3).

Interest-bearing liabilities and cash and cash equivalents

The Group's interest-bearing liabilities amounted to SEK 1,135.8 M (1,124.4), of which a bond loan totalled SEK 497 M (495). Of that amount 6.9 (-) refers to liabilities held for sale. The Group's cash and cash equivalents totalled SEK 39.5 M (117.6). Net debt amounted to SEK 1,096.3 M (1,006.8) and the loan-to-value ratio to 48.8 percent (49.7).

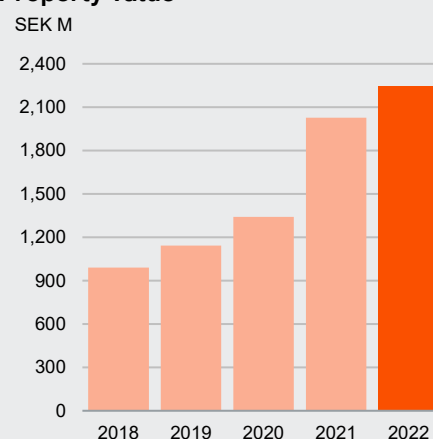
Equity and equity ratio

Group equity amounted to SEK 949.5 M (853.1), implying an equity ratio of 40.6 percent (38.9).

Unrealised value changes in investment properties

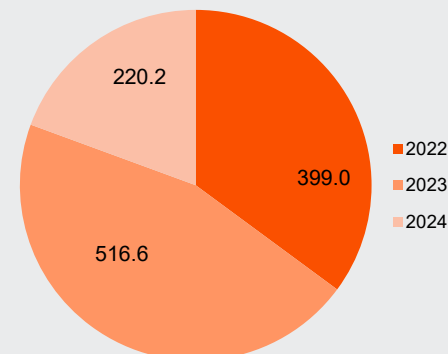
+SEK 166 M

Property value



Debt maturity structure

SEK M



THE PARENT COMPANY

The parent company 24Storage AB was primarily focused on management, coordination and expansions of the Group and its property portfolio until 30 June, 2022. From 1 July 2022, the parent company is a holding company, without any direct operations.

During the third quarter, it was clarified from the Group's main owner how internal fees should be handled. This has been adjusted in the quarter, affecting the parent company's net sales.

Net sales in the second quarter amounted to SEK 0.0 M (5.1).

Profit/loss after tax amounted to SEK -17.6 M (-7.5).

Net sales during the period January to September amounted to SEK 9.6 M (14.5) and profit/loss after tax amounted to SEK -39.6 M (-26.4).

PERSONNEL

From 1 July 2022, the personnel are employed by a service company, Nugreen Services AB.

EVENTS AFTER THE END OF THE QUARTER

At the Extraordinary General Meeting on October 31, 2022, two new Board members were elected for the period until the end of the next Annual General Meeting.

On October 3, 2022, Green S AB acquired all shares in TC Storage Bid Co AB, which is the parent company of 24 Storage AB.

THE SHARE AND OWNERS

THE SHARE

The 24Storage share was listed on Nasdaq First North Growth Market on December 10, 2019 and was delisted on January 10 2022. On December 3, 2021, Teachers Insurance and Annuity Association of America, through T-C Storage BidCo AB, acquired 92.4 percent of the shares in 24Storage. At end of May 2022 T-C Storage BidCo owned 100 percent of the shares in the Company.

On September 30, 2022, the total number of shares amounted to 14,924,020 (14,924,020). All shares are of the same class and confer the right to one vote.

OTHER INFORMATION

MATERIAL RISKS AND UNCERTAINTIES

The company's material risks and uncertainties include risks related to occupancy rate and price level, valuation risk relating to investment properties, financing risk for continued expansion and interest rate risk. No significant changes have occurred that change these risks.

The Group's and Parent Company's risks and uncertainty factors are presented in the Administration Report and Notes to the Annual Report for 2021.

FINANCIAL CALENDAR

Year-End Report 2022

February 23, 2023

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CONSOLIDATED INCOME STATEMENT

SEK M	Note	Q3		Jan-Sep		Full year
		2022	2021	2022	2021	2021
Net sales	3	34.0	27.6	97.1	77.2	106.4
Operating expenses	4	-20.3	-15.9	-57.2	-50.3	-67.8
Gross profit/loss		13.7	11.7	39.9	26.9	38.6
Gross margin, percent		40.3	42.5	41.1	34.8	36.3
Administrative expenses	4	-5.3	-6.5	-25.2	-26.2	-56.4
Operating profit/loss before value change		8.4	5.2	14.8	0.7	-17.8
Change in value of investment properties		0.6	9.5	165.9	99.9	512.1
Operating profit/loss		8.9	14.8	180.7	100.6	494.3
Interest income etc.		0.0	0.0	0.1	0.1	0.1
Interest expenses etc.		-16.9	-15.0	-47.7	-39.6	-54.8
Net financial income/expense		-16.9	-15.0	-47.6	-39.5	-54.7
Profit/loss before tax		-7.9	-0.2	133.0	61.1	439.5
Tax	9	-1.8	-2.5	-36.7	-19.8	-100.2
Profit/loss for the period		-9.7	-2.7	96.4	41.3	339.3
Other comprehensive income						
Total comprehensive income for the period		-9.7	-2.7	96.4	41.3	339.3

CONSOLIDATED BALANCE SHEET

SEK M	Note	30 Sep 2022	30 Sep 2021	31 Dec 2021
Assets				
Fixed assets				
Intangible assets		5.1	10.4	9.6
Right of use assets		0.0	1.7	1.1
Tangible assets		8.8	6.1	8.3
Investment properties	7	2,236.2	1,575.6	2,027.2
Long-term receivables		0.3	1.0	1.1
Total fixed assets		2,250.4	1,594.8	2,047.3
Current assets				
Inventories		0.5	0.5	0.4
Accounts receivable		8.1	5.7	5.7
Prepaid expenses and accrued income		22.1	11.4	4.2
Other current receivables		4.2	9.9	20.4
Assets held for sale		12.0	-	-
Cash and cash equivalents		39.5	173.8	117.6
Total current assets		86.4	201.3	148.3
Total assets		2,336.7	1,796.1	2,195.6
Equity and liabilities				
Share capital		1.5	1.5	1.5
Other capital contributions		481.0	481.0	481.0
Profit brought forward including profit/loss for the period		467.0	72.6	370.6
Total equity		949.5	555.2	853.1
Long-term liabilities				
Interest-bearing liabilities	11	725.9	749.7	808.7
Leasing liabilities		16.4	18.6	18.1
Pension provisions		0.3	0.2	0.2
Deferred tax liabilities	10	186.8	69.9	150.4
Total long-term liabilities		929.5	838.4	977.4
Current liabilities				
Interest-bearing liabilities	11	403.0	351.6	315.8
Lease liabilities		2.6	3.7	3.1
Accounts payable		7.7	17.0	13.8
Other current liabilities		8.2	1.9	1.7
Liabilities held for sale		6.9	-	-
Accrued expenses and deferred income		29.3	28.3	30.8
Total current liabilities		457.7	402.6	365.1
Total liabilities		1,387.2	1,241.0	1,342.5
Total equity and liabilities		2,336.7	1,796.1	2,195.6

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEK M	30 Sep 2022	30 Sep 2021	31 Dec 2021
Opening balance equity	853.1	513.8	513.8
Profit/loss and total comprehensive income for the period	96.4	41.3	339.3
Closing balance equity	949.5	555.2	853.1

CONSOLIDATED CASH FLOW STATEMENT

SEK M	Note	Q3		Jan-Sep		Full year
		2022	2021	2022	2021	2021
Operating activities						
Profit/loss before tax		-7.9	-0.2	133.0	61.1	439.5
Reversal of depreciation and amortization		2.2	3.7	8.9	11.6	15.2
Reversal of change in value of properties		-0.6	-9.5	-165.9	-99.9	-512.1
Adjustments for other non-cash items		4.5	0.8	4.0	2.1	2.9
Income tax paid		-0.0	-0.0	-0.2	-0.1	-0.1
Cash flow from operating activities before change in working capital		-1.8	-5.2	-20.2	-25.1	-54.5
Change in inventories		0.2	-0.0	-0.0	0.0	0.1
Change in operating receivables		-0.6	-5.7	-22.0	-9.3	-12.6
Change in operating liabilities		-13.4	-15.0	16.9	7.7	7.4
Total changes in working capital		-13.8	-20.7	-5.2	-1.5	-5.1
Cash flow from operating activities		-15.6	-25.9	-25.4	-26.7	-59.6
Investing activities						
Acquisition of properties/property companies	5	-	-	-	-27.6	-51.6
Investment in properties		-13.8	-23.5	-56.6	-105.1	-142.3
Purchase of property, plant and equipment		-0.0	-0.0	-3.0	-0.1	-3.1
Disposal of property, plant and equipment		0.2	-	0.2	-	-
Purchase of intangible assets		-	-0.2	-0.6	-1.0	-1.9
Disposal of properties	6	-	-	-	-	11.3
Change in financial fixed assets		0.4	-0.4	0.8	-0.5	-0.5
Cash flow from investing activities		-13.2	-24.2	-59.2	-134.3	-188.2
Financing activities						
Loans raised		51.8	189.3	181.5	328.9	424.7
Repayment of loans		-48.9	-70.4	-172.4	-140.8	-204.8
Repayment of lease liabilities		-2.6	-1.2	-2.6	-3.6	-4.7
Cash flow from financing activities		0.2	117.7	6.5	184.5	215.2
Cash flow for the period		-28.6	67.6	-78.2	23.6	-32.6
Cash and cash equivalent at start of the period		68.1	106.2	117.6	150.2	150.2
Cash and cash equivalent at end of the period		39.5	173.8	39.5	173.8	117.6

PARENT COMPANY INCOME STATEMENT

SEK M	Note	Q3		Jan-Sep		Full year
		2022	2021	2022	2021	2021
Net sales ²		-	5.1	9.6	14.5	21.7
Operating expenses ³		-11.2	-7.5	-31.6	-28.0	-61.4
Operating profit/loss		-11.2	-2.3	-22.0	-13.5	-39.7
Profit/loss from participations in Group companies		-	-	-	-	39.6
Interest income etc.		6.4	6.1	19.1	17.7	23.9
Interest expenses etc.		-12.8	-11.3	-36.6	-30.6	-42.3
Net financial income/expense		-6.4	-5.2	-17.6	-13.0	21.1
Profit/loss before tax		-17.6	-7.5	-39.6	-26.4	-18.6
Tax		-	-	-	-	-0.0
Profit/loss for the period ¹		-17.6	-7.5	-39.6	-26.4	-18.6

¹ Profit/loss for the period corresponds to the total comprehensive income for the period.

² From 1 July 2022, the group has a new ownership structure and thus also a new model for internal invoicing. This affects net sales in the quarter.

³ Severance package has been paid during the quarter to the resigned CEO.

PARENT COMPANY BALANCE SHEET

SEK M	Note	30 Sep 2022	30 Sep 2021	31 Dec 2021
Assets				
Fixed assets				
Intangible assets		0.0	0.0	0.0
Tangible assets		-	0.1	0.0
New stores and projects under development		46.9	39.7	21.0
Participations in Group companies		286.7	273.2	273.2
Receivables from Group companies		429.7	393.1	429.7
Long-term receivables		0.3	1.0	1.1
Deferred tax assets		-	0.0	-
Total fixed assets		763.6	707.2	725.0
Current assets				
Receivables from Group companies		171.4	172.2	225.8
Prepaid expenses and accrued income		18.5	8.4	1.1
Other current receivables		0.9	0.0	1.0
Cash and cash equivalents		0.6	84.9	31.5
Total current assets		191.4	265.5	259.3
Total assets		954.9	972.7	984.3
Equity and liabilities				
Share capital		1.5	1.5	1.5
Total restricted equity		1.5	1.5	1.5
Share premium reserve		343.2	361.8	361.8
Profit/loss for the period		-39.6	-26.4	-18.6
Total unrestricted equity		303.7	335.4	343.2
Total equity		305.2	336.9	344.7
Long-term liabilities				
Interest-bearing liabilities		497.0	494.0	494.8
Liabilities to Group companies		113.5	100.0	100.0
Pension provisions		0.3	0.2	0.2
Total long-term liabilities		610.9	594.3	595.0
Current liabilities				
Accounts payable		4.5	13.1	9.2
Liabilities to Group companies		16.6	7.1	8.1
Other current liabilities		5.2	7.6	12.5
Accrued expenses and deferred income		12.6	13.8	14.7
Total current liabilities		38.9	41.6	44.5
Total liabilities		649.8	635.8	639.6
Total equity and liabilities		954.9	972.7	984.3

NOTES

NOTE 1. Accounting policies

This Interim Report in summary for the Group has been prepared in accordance with IAS 34, Interim Financial Reporting and applicable regulations in the Annual Accounts Act. The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS). As the Parent Company is a company within the EU, only EU-approved IFRS have been applied. The Parent Company's accounts have been prepared in accordance with RFR2.

Disclosures in accordance with IAS 34.16A have been included in the Financial Statements and accompanying Notes, as well as in other parts of the Interim Report.

For the Group and the Parent Company, the same accounting principles and calculation bases have been applied as in the most recent Annual Report.

All amounts are in millions of Swedish kronor, SEK M, unless otherwise stated. Amounts in the Report have been rounded, while total amounts and key performance indicators have been calculated on the basis of exact amounts.

New IFRS-standards and interpretations

New and revised IFRS standards which will be applied in the future are not expected to have any significant effect on the company's Financial Statements.

NOTE 2. Estimates and judgements

A detailed presentation of significant estimates and judgments can be found in the Annual Report 2021, Note 29.

NOTE 3. Breakdown of net sales

Group, SEK M	Q3		Jan-Sep		Full year
	2022	2021	2022	2021	2021
Self storage income	29.8	24.8	84.8	69.7	94.3
Self storage-related income	3.8	2.4	11.1	6.4	10.6
Other income from properties	0.4	0.4	1.2	1.1	1.4
Total net sales	34.0	27.6	97.1	77.2	106.4

The principal revenue source for the Group is self storage income from the letting of storage units. Self storage-related income refers to insurance cover of the units and sales of items such as packing boxes. Other income from properties relates to the letting of floor space which has not yet been converted to storage units.

All Group operations are reported and followed up in the segment "Self storage-operations Sweden".

NOTE 4. Operating expenses allocated by type of expense

Group, SEK M	Q3 2022			Q3 2021		
	Operating expenses	Admin. expenses	Total	Operating expenses	Admin. expenses	Total
Operations and maintenance	2.5	-	2.5	2.0	-	2.0
Property tax	0.7	-	0.7	0.7	-	0.7
Other external expenses ¹	15.6	0.1	15.7	7.1	6.6	13.7
Reclassification of rental expenses (IFRS 16)	-0.8	-0.2	-1.0	-0.7	-0.6	-1.4
Allocation of internal expenses ²	1.1	-1.1	-	2.9	-2.9	-
Capitalised development fee for project management	-	2.4	2.4	-	-4.3	-4.3
External expenses	19.2	1.2	20.4	11.9	-1.2	10.8
Employee costs¹	-0.1	3.1	3.0	2.7	5.1	7.9
Depreciation	0.6	0.9	1.5	0.6	2.0	2.6
Depreciation and amortization, leases (IFRS 16)	0.6	0.2	0.8	0.6	0.6	1.2
Depreciation	1.2	1.1	2.2	1.2	2.5	3.7
Total	20.3	5.3	25.6	15.9	6.5	22.4

Group, SEK M	Jan-Sep 2022			Jan-Sep 2021		
	Operating expenses	Admin. expenses	Total	Operating expenses	Admin. expenses	Total
Operations and maintenance	8.6	-	8.6	7.7	-	7.7
Property tax	2.1	-	2.1	2.1	-	2.1
Other external expenses ¹	30.9	19.6	50.6	22.0	22.5	44.5
Reclassification of rental expenses (IFRS 16)	-2.3	-1.4	-3.7	-2.2	-2.1	-4.3
Allocation of internal expenses ²	7.8	-7.8	-	8.2	-8.2	-
Non-recurring expenses	-	0.3	0.3	-	-	-
Capitalised development fee for project management	-	-5.1	-5.1	-	-11.8	-11.8
External expenses	47.0	5.7	52.7	37.7	0.5	38.2
Payroll costs¹	6.5	14.2	20.7	9.1	17.6	26.7
Depreciation	1.8	3.9	5.8	1.8	6.1	7.9
Depreciation and amortization, leases (IFRS 16)	1.8	1.3	3.1	1.7	1.9	3.7
Depreciation	3.7	5.2	8.9	3.5	8.1	11.6
Total	57.2	25.2	82.3	50.3	26.2	76.5

¹ From 1 July 2022, the Group has a new ownership structure and a new model for internal invoicing. Other external expenses therefore now include fees for employees, marketing, IT and consulting costs to Nugreen Services AB.

² Allocation of internal expenses refers to e.g. real estate management, IT, data and telephony.

³ Capitalised development fee is also affected by the new model for internal invoicing.

NOTE 5. Cash Flow Statement, acquisition of investment properties

Group, SEK M	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Acquired investment properties	-	30.7	54.7
Less deposit	-	-3.1	-3.1
Operating liabilities assumed	-	-0.1	-0.1
Bank loans, to be redeemed on acquisition	-	-3.3	-3.3
Purchase price including acquisition costs	-	24.3	48.4
Purchase price paid including acquisition costs	-	-24.3	-48.4
Additions, bank loans, redeemed on acquisition	-	-3.3	-3.3
Effect on cash and cash equivalents	-	-27.6	-51.6

NOTE 6. Cash Flow Statement, disposal of investment properties

Group, SEK M	Jan-Sep 2022	Jan-Sep 2021	Jan-Dec 2021
Disposal of investment properties/property companies	-	-	-21.3
Disposal of other assets	-	-	-0.1
Purchase price	-	-	-21.4
Purchase price received	-	-	21.4
Less deposit	-	-	-0.6
Other	-	-	-0.1
Bank loan redeemed on disposal	-	-	-9.4
Effect on cash and cash equivalents	-	-	11.3

NOTE 7. Fair value of investment properties

The fair value of financial assets and liabilities does not differ significantly from recognised value.

Operational investment properties have been valued at fair value in an internal valuation as of 30 September 2022. We actively monitor the market and properties which provides us with a good foundation for an internal valuation of the property portfolio. The method used in the internal valuation essentially corresponds to the principles for external valuation described in the Annual Report for 2021, Note 14. Ongoing construction projects have been valued at fair value in an external valuation dated 30 September 2022. The entire property holding was valued in an external valuation carried out as of 30 June 2022.

NOTE 8. Transactions with related parties

The 24Storage Group has been owned since December 2021 by the Teachers Insurance and Annuity Association of America. All companies within that Group are related parties.

The Parent Company has a related party relationship with its subsidiaries. Sales and purchases of goods and services within the Group take place on market terms.

From 1 July 2022, former employees in the 24Storage Group have been employed by the service company Nugreen Services AB. Debiting takes place on market terms.

No other significant transactions with related parties were completed in the period.

NOTE 9. Taxes

Tax expenses Group, SEK M	Q3		Jan-Sep		Full year
	2022	2021	2022	2021	2021
Current tax expenses	-0.0	-	-0.2	-	0.0
Deferred tax expenses/tax income	-1.8	-2.5	-36.5	-19.8	-100.2
Total	-1.8	-2.5	-36.7	-19.8	-100.2

NOTE 10. Deferred tax liabilities

Deferred tax liabilities Group, SEK M	30 Sep 2022	30 Sep 2021	31 Dec 2021
Deferred tax on temporary differences in respect of investment properties	-248.4	-123.6	-210.6
Deferred tax on loss carry-forwards	59.0	53.5	59.0
Deferred tax on deductible investments	0.9	-	0.9
Deferred tax on other items	1.6	0.2	0.2
Total	-186.8	-69.9	-150.4

NOTE 11. Interest-bearing liabilities and net debt¹

Group, SEK M	30 Sep 2022	30 Sep 2021	31 Dec 2021
Loans from credit institutions, long-term	235.5	255.6	313.9
Bond loan, long-term	497.0	494.0	494.8
Loans from credit institutions, current	403.3	351.6	315.8
Total interest-bearing liabilities	1,135.8	1,101.3	1,124.4
Deductions cash and cash equivalents	-39.5	-173.8	-117.6
Total net debt	1,096.3	927.5	1,006.8
Reported value investment properties	2,248.2	1,575.6	2,027.2
Loan-to-value ratio, percent	48.8	58.9	49.7

¹ The definition of interest-bearing liabilities, like most other real estate companies, exclude leasing debt.

NOTE 12. Events after the end of the quarter

At the Extraordinary General Meeting on October 31, 2022, two new board members were elected for the period until the end of the next Annual General Meeting.

On October 3, 2022, Green S AB acquired all shares in TC Storage Bid Co AB, which is the parent company of 24 Storage AB.

KEY PERFORMANCE INDICATORS AND SHARE DATA, GROUP

	Q3		Jan-Sep		Full year
	2022	2021	2022	2021	2021
IFRS key performance indicators					
Sales, SEK M	34.0	27.6	97.1	77.2	106.4
Profit/loss for the period, SEK M	-9.7	-2.7	96.4	41.3	339.3
Earnings per share before dilution, SEK	-0.65	-0.18	6.46	2.77	22.74
Earnings per share after dilution, SEK	-0.65	-0.18	6.18	2.65	21.76
Alternative key performance indicators					
Gross profit/loss, SEK M	13.7	11.7	39.9	26.9	38.6
Gross margin, percent	40.3	42.5	41.1	34.8	36.3
Change in property value, SEK M	0.6	9.5	165.9	99.9	512.1
Operating profit/loss, SEK M	8.9	14.8	180.7	100.6	494.3
Equity, SEK M	949.5	555.2	949.5	555.2	853.1
Equity per share, SEK	63.62	37.20	63.62	37.20	57.17
Long-term net asset value (EPRA, NAV), SEK	78.36	45.06	78.36	45.06	69.74
Net debt, SEK M	1,096.3	927.5	1,096.3	927.5	1,006.8
Total assets, SEK M	2,336.7	1,796.1	2,336.7	1,796.1	2,195.6
Equity ratio, percent	40.6	30.9	40.6	30.9	38.9
Loan-to-value ratio, percent	48.8	58.9	48.8	58.9	49.7
Cash flow from operating activities, SEK M	-15.6	-25.9	-25.4	-26.7	-59.6
Cash flow from operating activities per share, SEK	-1.04	-1.74	-1.70	-1.79	-3.99
Operational key performance indicators					
Property value, SEK M	2,248.2	1,575.6	2,248.2	1,575.6	2,027.2
Number of stores in operation	27	26	27	26	26
Number of self storage units	13,481	12,121	13,481	12,121	12,602
Lettable space self storage, square metres	74,813	66,499	74,813	66,499	69,681
Rental income per lettable square metre (RevPAM), SEK	1,598	1,533	1,537	1,468	1,461
Rental income per let square metre, SEK	2,218	2,102	2,182	2,074	2,066
Occupancy rate (area), percent	71.4	72.9	71.4	72.9	70.3
Occupancy rate (number), percent	68.3	71.1	68.3	71.1	68.6
Economic occupancy rate, percent	71.9	71.7	71.9	71.7	69.2
Book value stores in operation per square metre, SEK	28,134	19,949	28,134	19,949	26,505
Number of shares					
Total shares at end of period	14,924,020	14,924,020	14,924,020	14,924,020	14,924,020
Average number of shares	14,924,020	14,924,020	14,924,020	14,924,020	14,924,020

DEFINITIONS

GROSS MARGIN, PERCENT

Gross profit or loss, i.e. sales revenues less deductions for direct expenses, as a percentage of net sales.

LONG-TERM NET WORTH (EPRA NAV) PER SHARE, SEK:

Equity, plus equity contributed (new share issue) at dilution, plus adjusted deferred tax liability in respect of temporary differences in investment properties. This is equal to adjusted equity after dilution, which is divided by the number of existing shares plus shares issued when warrants are utilised.

NET DEBT, SEK M

Interest-bearing liabilities excluding lease liabilities less cash and cash equivalents (see Note 11).

LOAN-TO-VALUE, PERCENT

Net debt divided by the book value of the properties including ongoing projects.

RENTAL INCOME PER LETTABLE SQUARE METRE (REVPAM), SEK:

Rental income in respect of self storage, calculated up for the whole year, in relation to the average number of lettable square metres during the period.

OCCUPANCY RATE (AREA), PERCENT

The number of let square metres divided by the number of lettable square metres, at the reporting date.

ECONOMIC OCCUPANCY RATE, PERCENT

Contracted rental income on an annual basis in relation to rental value.

RENTAL VALUE

Contracted rental income on an annual basis with a supplement for vacant rent.

BOOK VALUE OF STORES IN OPERATION PER SQUARE METRE, SEK:

Book value of stores in operation, i.e. excluding IFRS 16 effects (leasing) and excluding book value of project properties, divided by square metres of lettable area.

CONSOLIDATED QUARTERLY FIGURES

SEK M	2022			2021			2020			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
From the Income Statement										
Net sales	34.0	32.7	30.4	29.2	27.6	25.5	24.2	22.9	21.9	21.2
Operating expenses	-20.3	-19.2	-17.7	-17.5	-15.9	-18.0	-16.5	-17.3	-15.0	-16.0
Gross profit/loss	13.7	13.5	12.7	11.7	11.7	7.5	7.7	5.6	7.0	5.1
Gross margin, percent	40	41	42	40	42	29	32	24	32	24
From the Balance Sheet										
Investment properties	2,248	2,234	2,066	2,027	1,576	1,543	1,383	1,341	1,249	1,227
Equity	950	959	858	853	555	558	508	514	487	493
Balance Sheet total	2,337	2,362	2,225	2,196	1,796	1,700	1,551	1,548	1,404	1,407

LIST OF OPERATIONAL STORES

Property title	Name	Address	Holding	Storage units	Lettable area, m ²
Stockholm region					
Stockholm Spiselhällen 3	Alvik	Drottningholmsvägen 195	Ownership/site-leasehold	504	1,942
Haninge Söderby 1:752	Handen	Träffgatan 7	Ownership	713	3,570
Järfälla Kallhäll 9:44	Kallhäll	Skarprättarvägen 26	Ownership	698	3,757
Brf Järnvägsmannen (part of)	Kungsholmen	Wargentinsgatan 7	Lease	122	348
Nacka Lännersta 11:88	Orminge	Telegramvägen 48	Ownership	650	3,186
Brf Fåran 6 and Formen 11 (part of)	Solna	Slottsvägen 14, Brahevägen 3-5	Lease	405	1,850
Brf Sparven (part of)	Sundbyberg Tule	Skogsbacken 2	Lease	123	450
Brf Klippan 22 (part of)	Sundbyberg Alby	Albygatan 123	Owner-occupier share	318	1,012
Botkyrka Vargen 13	Tumba	Länsmansvägen 15	Ownership	183	1,176
Tyresö Bollmora 2:591	Tyresö	Siklöjevägen 5	Ownership	505	2,149
Uppsala Fyrislund 11:1	Uppsala	Anna Fabris Gata 9	Ownership	695	4,771
Vallentuna Bällsta 5:211	Vallentuna Bällsta	Fågelsångsvägen 5	Ownership	257	1,185
Vallentuna Vallentuna-Åby 1:160	Vallentuna Centrum	Olsborgsvägen 13	Ownership	361	2,437
Nicklet 2	Vällingby	Grimstagatan 164	Ownership/site-leasehold	452	2,606
Blästerugnen 4	Västerås	Kokillgatan 5B	Ownership	662	3,657
Total				6,648	34,096
Gothenburg region					
Borås Testaren 3	Borås Tullen	Teknikgatan 5	Ownership	201	1,107
Borås Lärkträdet 6	Borås Regementet	Göteborgsvägen 25	Ownership	418	2,625
Göteborg Backa 21:24	Hisings Backa	Exportgatan 31	Ownership	703	4,360
Göteborg Högsbo 28:4	Högsbo	August Barks gata 9	Ownership	791	4,810
Kungsbacka Hede 9:29	Kungsbacka Hede	Göteborgsvägen 180	Ownership	331	2,154
Kungsbacka Varla 14:5	Kungsbacka Varla	Magasinsgatan 12	Ownership	420	2,755
Kungälv Perrongen 8	Kungälv	Västra Porten 2	Ownership	681	3,486
Mölnadal Pelargonian 8	Mölnadal	Södra Ågatan 18A	Ownership	738	4,432
Trollhättan Baljan 1	Trollhättan	Betongvägen 13	Ownership	763	4,141
Uddevalla Kuröd 4:64	Uddevalla	Schillers väg 1	Ownership	328	2,030
Total				5,374	31,900
Malmö region					
Malmö Skjutstallslyckan 22	Malmö Centrum	Lundavägen 54	Ownership	767	4,496
Malmö Sminkören 1	Malmö Hyllie	Axel Danielssons väg 277	Ownership	692	4,321
Total				1,459	8,817
Total, stores open				13,481	74,813

The facility in Högsbo was opened in March 2022.

In addition to these stores, the Group owns a number of project properties, i.e. facilities at the planning stage or in various stages of construction, conversion or extension. The project properties are located in Farsta, Tumba and Täby.

SIGNATURES

Stockholm, Sweden, November 3, 2022

On behalf of the Board of Directors

Stefan Nilsson
CEO

This Report has been prepared in a Swedish original and an English translation. In the event of variations between the two, the Swedish version shall prevail.

AUDITOR'S REPORT

24Storage AB reg. no. 556996-8141

Introduction

We have reviewed the condensed interim financial information (interim report) of 24Storage AB as of 30 September 2022 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm 3 November 2022

Öhrlings PricewaterhouseCoopers AB

Johan Rippe
Authorized Public Accountant
Principal Auditor

Martina Torp
Authorized Public Accountant

THIS IS 24STORAGE

24Storage is a self storage company that offers its customers convenient and accessible storage space outside the home or workplace. The company was founded in 2015 with the vision of digitalising the self storage industry and has successfully established itself as the second largest operator in Sweden.

Property development

Develops, owns and operates self storage facilities focusing on the metropolitan regions of Stockholm, Gothenburg and Malmö.

Leading operator in Sweden

Second largest operator on the growing self storage-market in Sweden.

Clear growth strategy

The goal is to open three to five new facilities annually, adding some 10,000 square metres of lettable floor space each year.

Scalable business model

By digitalising and automating manual processes, operations and staffing can be centralised, which creates cost benefits that increase as the business grows.

Self storage made easy

We offer private and business customers convenient and accessible storage outside the home or workplace.

Gazelle company

24Storage was recognised as a Gazelle company by Dagens Industri in 2021 for the second year running.

Storage facilities

27

Self storage units

13,500

m² lettable space

74,800

Customers

9,700