

Formulas used in the calculation of the key figures

Alternative Performance Measures specified in accordance with ESMA Guidelines

1)	Net rental income	=	Total revenue - Maintenance expenses - Repair expenses	
			Net rental income measures the profitability of the Group's rental business after the deduction of maintenance and repair costs.	
2)	Net rental income margin, %	=	$\frac{\text{Net rental income}}{\text{Total revenue}} \times 100$	
			This figure reflects the ratio between net rental income and total revenue.	
3)	Profit/loss before taxes	=	Net rental income - Administrative expenses + Other operating income - Other operating expenses +/- Profit/loss on sales of investment properties +/- Profit/loss on sales of trading properties +/- Profit/loss on fair value of investment properties - Depreciation, amortisation and impairment losses +/- Financial income and expenses +/- Share of result from associated companies	
			Profit/loss before taxes measures profitability after operative costs and financial expenses.	
4)	EBITDA	=	Profit/loss for the period + Depreciation, amortisation and impairment losses -/+ Financial income and expenses -/+ Share of result from associated companies + Current tax expense + Change in deferred taxes	
			EBITDA measures operative profitability before financial expenses, taxes and depreciation.	
5)	EBITDA margin, %	=	$\frac{\text{EBITDA}}{\text{Total revenue}} \times 100$	
			EBITDA margin discloses EBITDA in relation to net sales.	
6)	Adjusted EBITDA	=	Profit/loss for the period + Depreciation, amortisation and impairment losses -/+ Profit/loss on sales of investment properties -/+ Profit/loss on sales of trading properties -/+ Profit/loss on sales of other non-current assets -/+ Profit/loss on fair value of investment properties for the period -/+ Financial income and expenses -/+ Share of result from associated companies + Current tax expense + Change in deferred taxes	
			Adjusted EBITDA measures the profitability of the Group's underlying rental operations excluding gains/losses on sale of properties and unrealised value changes of investment properties.	

7)	Adjusted EBITDA margin, %	=	$\frac{\text{Adjusted EBITDA}}{\text{Total revenue}} \times 100$
	Adjusted EBITDA margin discloses adjusted EBITDA in relation to total revenue.		
8)	Funds From Operations (FFO)	=	Adjusted EBITDA - Adjusted net interest charges - Current tax expense +/- Current taxes from disposals
	FFO measures cash flow before change in net working capital. The calculation of this APM takes into account financial expenses and current taxes but excludes items not directly connected to rental operations, such as unrealised value changes.		
9)	FFO margin, %	=	$\frac{\text{FFO}}{\text{Total revenue}} \times 100$
	FFO margin discloses FFO in relation to total revenue.		
10)	FFO per share	=	$\frac{\text{FFO}}{\text{Weighted average number of shares outstanding during the financial period}}$
	FFO per share illustrates FFO for an individual share.		
11)	FFO excluding non-recurring costs	=	FFO + non-recurring costs
	FFO measures cash flow before change in net working capital. The calculation of this APM takes into account financial expenses and current taxes but excludes items not directly connected to rental operations, such as unrealised value changes and non-recurring costs.		
12)	Adjusted FFO (AFFO)	=	FFO - Modernisation investments
	AFFO measures cash flow before change in net working capital, adjusted for modernisation investments. The calculation of this APM takes into account modernisation investments, financial expenses and current taxes but excludes items not directly connected to rental operations, such as unrealised value changes.		
13)	Interest-bearing liabilities	=	Non-current loans and borrowings + Current loans and borrowings
	Interest-bearing liabilities measures the Group's total debt.		
14)	Return on equity, % (ROE)	=	$\frac{\text{Profit/loss for the period (annualised)}}{\text{Total equity, average during the period}} \times 100$
	ROE measures the financial result in relation to equity. This APM illustrates Kojamo's ability to generate a return for the shareholders.		
15)	Return on investment, % (ROI)	=	$\frac{(\text{Profit/loss before taxes} + \text{Interests and other financial expenses}) (\text{annualised})}{(\text{Total assets} - \text{Non-interest-bearing liabilities}), \text{average during the period}} \times 100$
	ROI measures the financial result in relation to invested capital. This APM illustrates Kojamo's ability to generate a return on the invested funds.		

16)	Equity ratio, %	=	$\frac{\text{Total equity}}{\text{Balance sheet total} - \text{Advances received}} \times 100$	
			Equity to assets is an APM for balance sheet structure that discloses the ratio of equity to total capital. This APM illustrates the Group's financing structure.	
17)	Loan to Value (LTV), %	=	$\frac{\text{Interest-bearing liabilities} - \text{Cash and cash equivalents}}{\text{Investment properties}} \times 100$	
			Loan to value discloses the ratio of net debt to investment properties. This APM illustrates the Group's indebtedness.	
18)	Unencumbered asset ratio, %	=	$\frac{\text{Unencumbered assets}}{\text{Assets total}} \times 100$	
			This APM illustrates the amount of unencumbered assets relative to total assets.	
19)	Coverage ratio	=	$\frac{\text{Adjusted EBITDA, rolling 12 months}}{\text{Adjusted net financial expenses, rolling 12 months}}$	
			The ratio between EBITDA and net financial expenses. This APM illustrates the Group's ability to service its debts.	
20)	Solvency ratio	=	$\frac{\text{Interest-bearing debt*} - \text{Cash and cash equivalents}}{\text{Assets total}}$	
			The solvency ratio illustrates the ratio of net debt to total assets. *For this APM, interest-bearing debt includes interest-bearing liabilities, interest-bearing debt related to non-current assets held for sale and transaction prices due after more than 90 days.	
21)	Secured solvency ratio	=	$\frac{\text{Secured interest-bearing liabilities}}{\text{Assets total}}$	
			This APM illustrates the ratio of secured loans to total assets	
22)	Dividend/earnings, %	=	$\frac{\text{Dividend per share}}{\text{Earnings per share}} \times 100$	
			Dividend/earnings measures the ratio of dividends to earnings. This APM illustrates how large a proportion of its earnings the Group distributes to its shareholders.	
23)	Price/Earnings ratio (P/E)	=	$\frac{\text{Closing price of the share}}{\text{Earnings per share}}$	
			The P/E ratio illustrates the ratio between the share price and earnings per share. This APM illustrates the share's payback period based on the closing price and current earnings.	

$$24) \quad \text{Effective dividend yield, \%} = \frac{\text{Dividend per share}}{\text{Closing price of the share}} \times 100$$

Effective dividend yield illustrates the ratio between earnings per share and the share price.

$$25) \quad \text{Gross investments} = \text{Acquisition and development of investment properties} + \text{Modernisation investments} + \text{Capitalised borrowing costs}$$

This APM illustrates total investments including acquisitions, development investments, modernisation investments and capitalised interest.

Other performance measures

$$26) \quad \text{Adjusted EBITDA excluding repair expenses} = \text{Adjusted EBITDA} - \text{Repair expenses}$$

$$27) \quad \text{Financial occupancy rate, \%} = \frac{\text{Rental income}}{\text{Potential rental income at full occupancy}} \times 100$$

$$28) \quad \text{Coverage ratio excluding repair expenses} = \frac{\text{Adjusted EBITDA excluding repair expenses, rolling 12 months}}{\text{Adjusted net financial expenses, rolling 12 months}}$$