



Y  
L  
V  
A

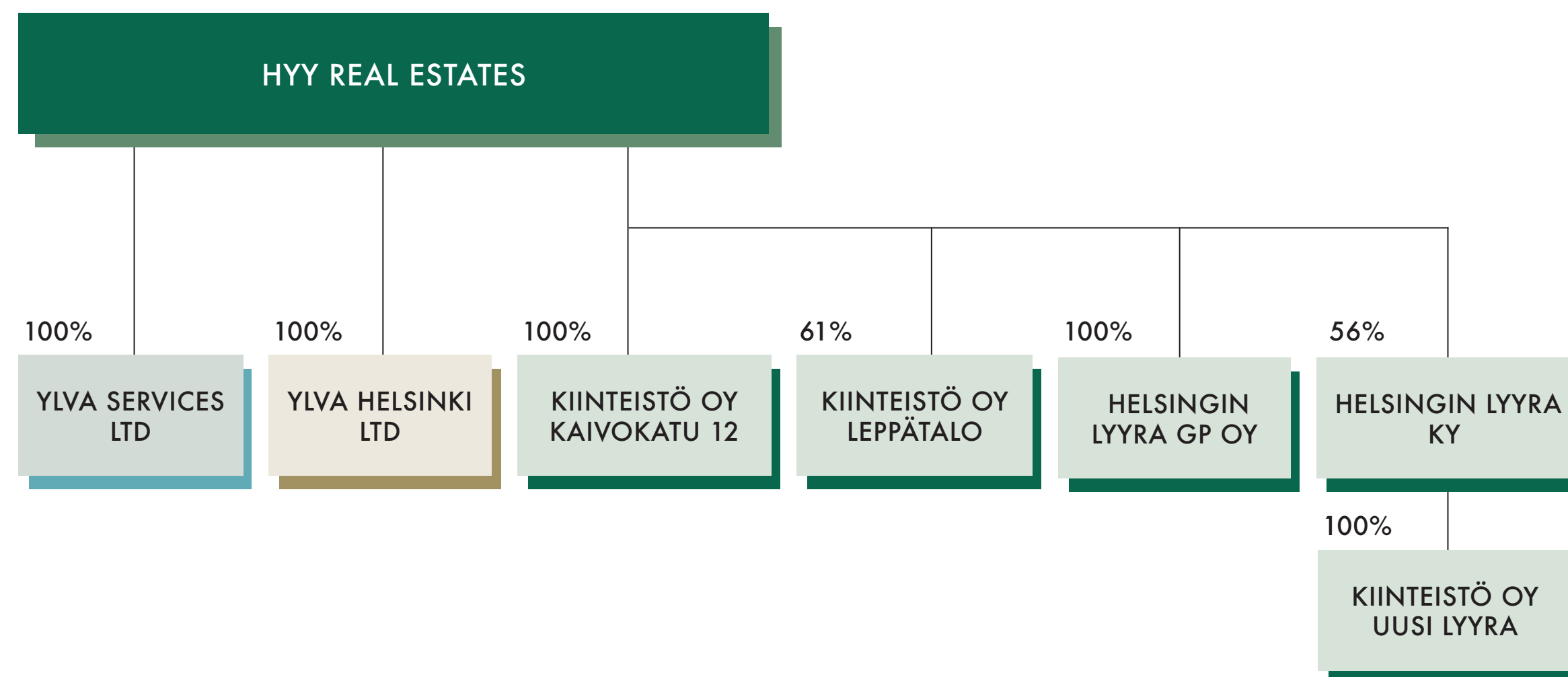
Board of Directors' report and financial statements 2023



# Board of Directors' report

Ylva Group .....	3
Ylva's operations .....	3
Net sales and profit .....	3
Financing .....	5
Investments.....	5
Summary of Ylva's financial indicators .....	6
Risks and uncertainties .....	7
Financial risk management.....	7
Personnel .....	7
Management, governance and auditors.....	8
Sustainability and responsibility .....	8
Events after the financial year and the development outlook.....	10
Student Union of the University of Helsinki (HYY) student operations financial management.....	10

## YLVA GROUP



### Group holdings

The student union of the University of Helsinki (HYY) is a public entity entitled to self-administration, with its status based on the Universities Act (558/2009). Based on the student union's adopted bylaws, which are based on the law, the financial management of real estate (HYY Real Estates) owned by the student union, which is subject to the Accounting Act, operates as the parent entity of a group of entities of a different form (Ylva), as referred to in the Accounting Act.

HYY Real Estates owns 100 per cent of Ylva Services Ltd, Ylva Helsinki Ltd, Kiinteistö Oy Kaivokatu 12 and Helsingin Lyyra GP Oy, and 61 per cent of Kiinteistö Oy Leppätalo. In addition, HYY Real Estates owns 56 per cent of Helsingin Lyyra Ky, which owns 100 per cent of Kiinteistö Oy Uusi Lyyra.

Ylva is owned by the student union of the University of Helsinki, and its income enables an active student life.

### Changes in Group structure

A complete demerger of Kiinteistö Oy Helsingin Lyyra was carried out during the financial year. The new companies Kiinteistö Oy Lyyran Toimisto and Kiinteistö Oy Uusi Lyyra were established as a result of the demerger. Kiinteistö Oy Lyyran Toimisto was sold in July 2023.

In November 2023, the Board of Directors of Kiinteistö Oy Uusi Lyyra approved a plan concerning a complete demerger that will result in the company demerging into two new companies to be established in connection with the demerger. The aim is for the demerger to take effect, and be registered, in spring 2024.

## YLVA'S OPERATIONS

Ylva comprises HYY Real Estates and its subsidiaries. The parent entity of the Group is HYY Real Estates. Ylva's business operations are focused on property investments and the restaurant business. In addition to the restaurant business, Ylva Services Ltd produces administrative services for Ylva Group and the student union of the University of Helsinki.

Ylva aims to build an international and sustainable city of science and economics – the Helsinki of the future. The distribution of profits from Ylva's business operations is used to fund the activities of the student union of the University of Helsinki.

Ylva is also a corporate activist that punches above its weight and accelerates the sustainable transformation of its industries from the inside. Ylva's target is to achieve operational carbon neutrality in all of its business activities by the end of 2025.

## NET SALES AND PROFIT

Ylva's net sales in 2023 amounted to EUR 29.3 million. Net sales increased by 17 per cent year-on-year. The growth in net sales was due to the higher net sales of the restaurant business and also partly attributable to the increased net sales of the real estate business. Intra-group net sales decreased compared to the previous financial year 2022.

### Distribution of Ylva's net sales

EUR million	2023	2022	Change (%)
Real estate	16.8	15.6	8
Ylva Services Ltd (incl. restaurants and internal services)	15.0	12.0	25
./. intra-group sales	-2.6	-2.7	-5
<b>YLVA TOTAL</b>	<b>29.3</b>	<b>24.9</b>	<b>17</b>

Ylva's operating profit decreased by 23 per cent year-on-year and amounted to EUR 1.7 million (2022: EUR 2.2 million). The decline in operating profit was attributable to higher expenses and the costs of starting the operations of the Lyyra companies. The operating profit has been calculated exclusive of the profit of EUR 5.8 million gained from the sale of buildings, the loss of EUR 2.7 million recognised on the sale of a subsidiary and EUR 24.7 million in the impairment of non-current assets in 2023. Government grants related to COVID-19 were no longer recognised in other operating income during the financial year 2023 (2022: EUR 0.9 million).

The securities portfolio was liquidated in December 2022. Ylva's investments have subsequently been focused on venture investments.

The estimated market value of Ylva's properties at the end of the year was EUR 402.8 million, representing a decrease of EUR 52.0 million compared to 2022. The decrease in the market value was mainly driven by increased yield requirements, but the realisation of assets also influenced the market value. The market value exceeded the corresponding carrying value amount by EUR 215.0 million. The valuation was prepared using the net present value formula (with cash flows projected for 10 or 15 years), where the annual net gains and residual value are discounted to the date of calculation. The ongoing Lyyra project, which is significant for Ylva's operations, is included in the market value by representing the end-of-year acquisition value of the plot of land and the amount of the incomplete investment project.

## Real estate

The properties owned directly by HYY Real Estates are located in the heart of Helsinki (Kaivopiha), in Kamppi (Leppäsuu) and on Rantatie in Tuusula. The real estate business also includes the mutual limited liability real estate companies Kiinteistö Oy Kaivokatu 12 (100 per cent owned by HYY Real Estates) and Kiinteistö Oy Leppätalo (61 per cent), as well as Helsingin Lyyra Ky (56 per cent), which owns the limited liability real estate company Kiinteistö Oy Uusi Lyyra.

Progress continued on the significant hotel project (Grand Hansa) on the premises of the New Student House and Kaivokatu 12 in Helsinki's city centre.

In Hakaniemi, construction of the group company Kiinteistö Oy Uusi Lyyra progressed according to plan. Impairment was recognised in non-current assets during the financial year based on the property valuation of Kiinteistö Oy Uusi Lyyra. The value of the Lyyra project has decreased due to the rise in yield requirements, among other factors.

The average economic occupancy rate of HYY Real Estates during the year was 86.4 per cent (2022: 84.0 per cent).

The net sales of HYY Real Estates' rental operations in 2023 amounted to EUR 16.8 million (2022: EUR 15.6 million). Net sales increased by 8 per cent year-on-year. Operating profit from rental operations came to EUR 3.9 million (2022: EUR 2.8 million). The most significant factor behind the increase in net sales and operating profit during the financial year was the improved rental income, particularly from retail premises.

The net financial expenses of rental operations amounted to EUR 8.9 million.

## Net sales and profit\*

EUR million	Net sales	2023 EBITDA	Profit	Net sales	2022 EBITDA	Profit
Real estate	16.8	8.4	-8.1	15.6	7.9	-4.1

\* Profit before appropriations and taxes. EBITDA and profit are presented exclusive of the profit of EUR 5.8 million gained from the sale of buildings, the loss of EUR 2.7 million recognised on the sale of a subsidiary and EUR 24.7 million in the impairment of non-current assets in 2023.

## Restaurants and internal services

Ylva Services Ltd engaged in the student restaurant and café business, as well as the conference and catering business. The company had 19 operating locations in Helsinki.

The past financial year was ordinary compared to the preceding financial years during the COVID-19 pandemic. Almost all of the operating locations were open normally. Universities' teaching activities mainly took place on campuses, but teaching was also partially offered under the hybrid model, which had some effect on student mobility and, consequently, the customer volumes of student restaurants.

The company also produced internal group services, mainly for Ylva and HYY. The company was responsible for Ylva's strategic management, company culture and company image. Ylva's external and internal communications and sustainability issues were also an integral part of the company's operations. Internal services also managed duties related to finance, financial management, investments, real estate management, payroll and HR management and information management.

Ylva Helsinki Oy also provided a small number of internal services to Ylva.

The net sales of Ylva Services Ltd increased by 25 per cent year-on-year and amounted to EUR 15.0 million (2022: EUR 12.0 million). The company's operating profit decreased to EUR 0.6 million (2022: EUR 1.2 million). The decrease in operating profit was attributable to higher costs and a reduction in other operating income.

## Net sales and profit\*

EUR million	Net sales	2023 EBITDA	Profit	Net sales	2022 EBITDA	Profit
Ylva Services Ltd	15.0	0.9	0.7	12.0	1.6	1.2

\* Profit before appropriations and taxes.

## Investments in securities

Ylva's investments during the financial year were focused on minor venture investments. The venture investments consisted of Ylva's holding in ResQ Club Oy. The securities portfolio (investments in securities, equities and fixed-income instruments) was liquidated in December 2022. The securities portfolio was recognised at fair value.

## FINANCING

At the end of the year, Ylva's liquid assets amounted to EUR 25.0 million (2022: EUR 15.7 million). Interest-bearing loan principal totalled EUR 259.8 million (2022: EUR 216.9 million) at the end of the year.

Ylva has a commercial paper programme in place for short-term financing needs, but the programme was not utilised during the financial year.

The equity ratio at carrying value was 14.8 per cent (2022: 24.7 per cent). The equity ratio at the estimated market value of the real estate was 48.8 per cent (2022: 57.6 per cent).

Ylva's operating cash flow was EUR 2.5 million negative (2022: EUR -5.3 million). Ylva's cash-based net investments amounted to EUR 56.1 million (2022: EUR 53.9 million). The net increase in short-term and long-term borrowing was EUR 117.6 million (2022: EUR 33.5 million), and repayments of long-term borrowings amounted to EUR 51.3 million (2022: EUR 0.5 million). Equity investments of EUR 1.5 million were received (2022: EUR 0.6 million). No capital distribution was paid out for the financial year (2022: capital distribution of EUR 1.4 million).

## INVESTMENTS

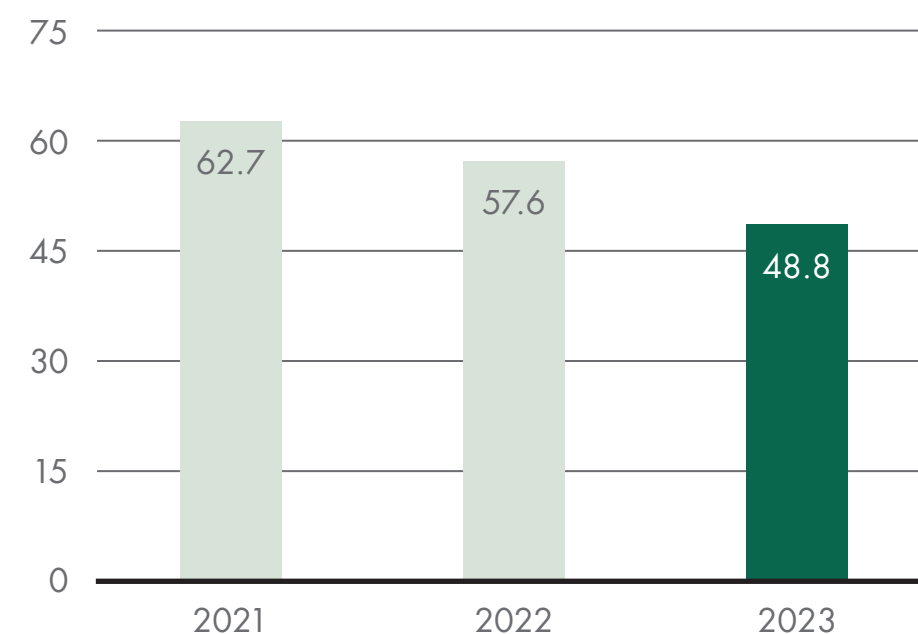
Ylva's gross investments amounted to EUR 92.2 million (2022: EUR 76.2 million). Ylva's largest investments were made by the parent entity HYY Real Estates, Kiinteistö Oy Kaivokatu 12 and Kiinteistö Oy Helsingin Lyyra, which underwent a complete demerger during the financial year 2023. In the demerger, two new companies were established: Kiinteistö Oy Uusi Lyyra and Kiinteistö Oy Lyyran toimisto. The latter was sold in 2023. The costs of the largest investments have exceeded the original forecasts.

### Distribution of gross investments by operating sector

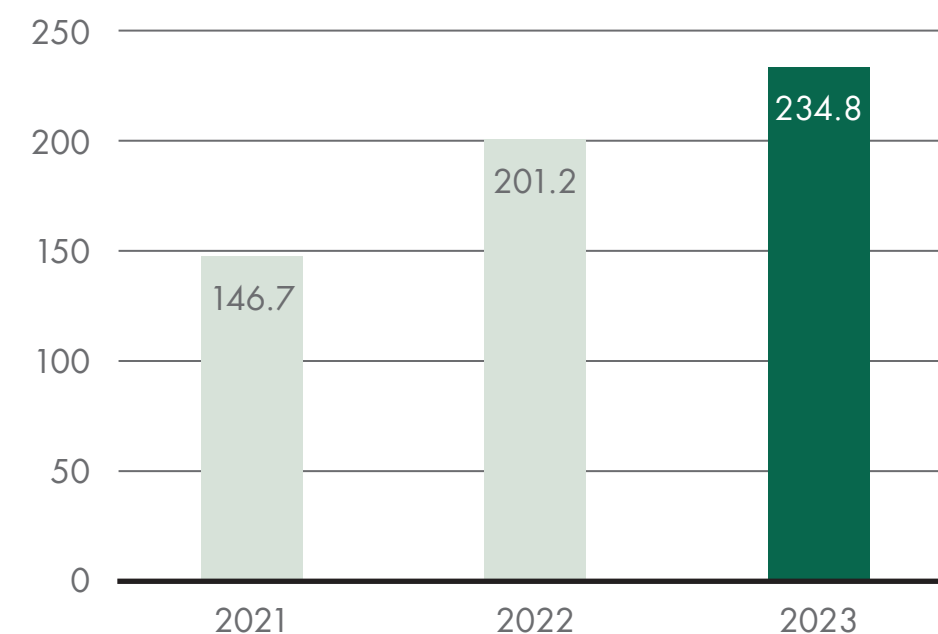
EUR million	2023	2022	2021
Real estate	92.2	76.1	33.3
Ylva Services Ltd	0.0	0.0	0.1
<b>YLVA TOTAL</b>	<b>92.2</b>	<b>76.2</b>	<b>33.3</b>

## SUMMARY OF YLVA'S FINANCIAL INDICATORS

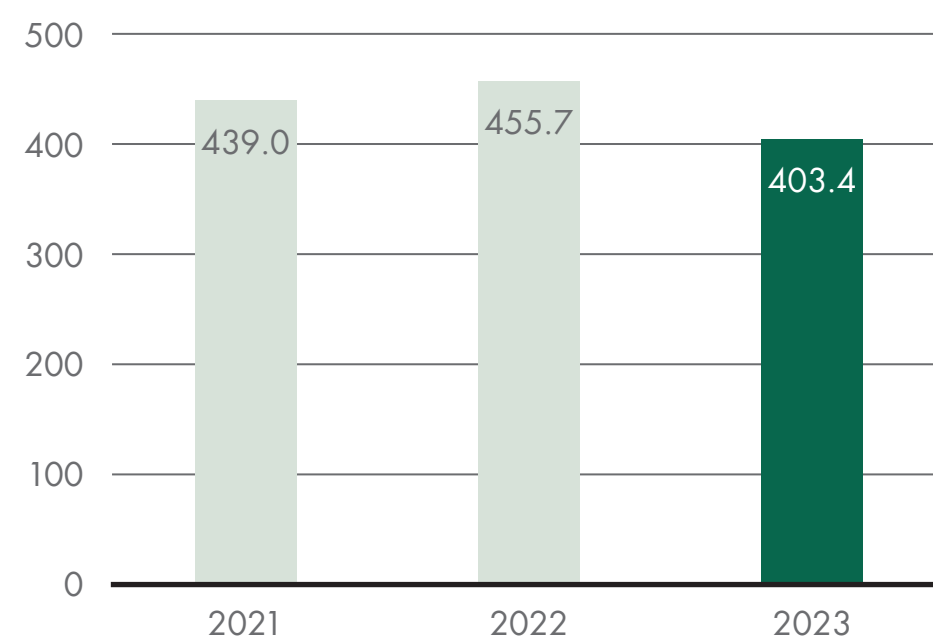
### Equity ratio (at market value), %



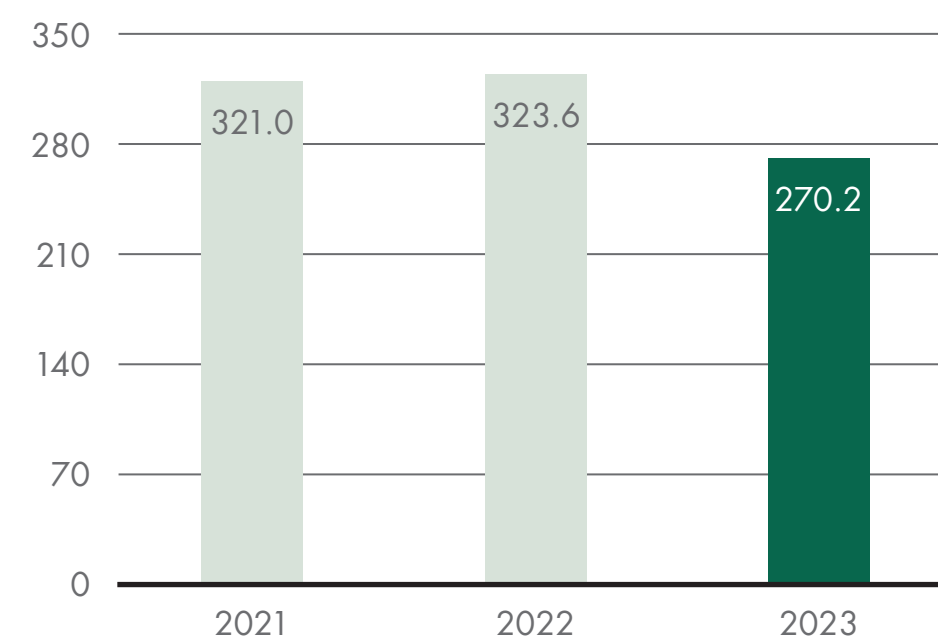
### Net interest-bearing liabilities, EUR million



### Market value of real estate and investments, EUR million



### Net assets at market value, EUR million



## Calculation principles for key indicators

EBITDA	=	Operating profit + depreciation and impairment
Return on equity (ROE), %	=	$\frac{\text{Net profit} \times 100}{\text{Shareholders' equity (average)}}$
Equity ratio at carrying value, %	=	$\frac{(\text{Shareholders' equity} + \text{minority interest}) \times 100}{\text{Balance sheet total} - \text{advances received}}$
Equity ratio at market value, %	=	$\frac{(\text{Shareholders' equity} + \text{minority interest} + \text{difference between the estimated market value and carrying value of real estate}) \times 100}{\text{Balance sheet total} - \text{advances received} + \text{difference between the estimated market value and carrying value of real estate}}$
Net assets at market value	=	Balance sheet total + difference between the estimated market value and carrying value of real estate - balance sheet liabilities +/- market value of derivatives
Net interest-bearing liabilities	=	Interest-bearing liabilities - cash and cash equivalents

## Financial indicators

	2023	2022	2021
Net sales, EUR million	29.3	24.9	19.9
EBITDA, EUR million	9.3	9.4	8.8
Operating profit, EUR million	1.7	2.2	1.4
Profit/loss for the period (including profit and loss from the sale of assets and the impairment of non-current assets), EUR million	-17.0	-4.7	-2.6
Operating profit/net sales (%)	5.9	8.7	6.9
Return on equity (%) (at carrying value)	-12.0	-6.2	-3.8
Equity ratio (%) (at carrying value)	14.8	24.7	28.2

In the table above, EBITDA, operating profit, the ratio of operating profit to net sales and the return on equity are presented exclusive of the profit of EUR 5.8 million gained from the sale of buildings, the loss of EUR 2.7 million recognised on the sale of a subsidiary and EUR 24.7 million in the impairment of non-current assets in 2023. However, profit and loss from the sale of assets and the impairment of non-current assets are included in the profit for the period. The figures above are calculated based on balance sheet values and they do not take the market values of the real estate into consideration.



## RISKS AND UNCERTAINTIES

Russia's continued war of aggression in Ukraine has increased inflation and Euribor interest rates, which had an impact on Ylva's operations during the year under review. While inflation and interest rates are projected to decline, the situation remains uncertain. Increased geopolitical tensions in 2023, particularly in the Middle East, have further elevated the instability in the market environment. The continuation of the war and geopolitical tensions create general uncertainty in the near-term economic outlook and make predicting future developments more difficult. Changes in the market may be reflected in Ylva's business operations through rising construction and maintenance costs and financial expenses, among other things.

The weak development of the Finnish economy is reflected in the rental market, which has also affected the operations of HYY Real Estates. The situation has slowed the decision-making of potential new users and limited their capacity to make investments. These factors prolong rental processes and increase the period of time that premises remain vacant. In addition, the weakened general economic situation and higher costs cause disruptions to tenants' business operations, especially in the restaurant and retail industries.

The rental customer risk for HYY Real Estates has increased slightly due to the weak general economic situation. Due to the hotel project in Helsinki's city centre, a substantially higher proportion of the rental cash flow will be derived from an individual tenant, and the travel industry is still affected by uncertainties as it recovers from the COVID-19 pandemic and the travel restrictions caused by the war. Otherwise, tenant risks have been managed fairly well. The tenant base is diverse and the situation regarding tenants' payments is monitored continuously.

There have been slight changes in property valuations and yield requirements for the properties owned by HYY Real Estates, mainly due to the changes in the investment market caused by higher interest rates. Yield requirements have turned to an increase, which has reduced property values. At the same time, however, property values have been supported by the reduction of the repair backlog of the properties due to renovations, and the rental prices of office premises, which have remained on a stable upward trend. Investments in alterations to premises have also led to significantly higher rents in new office rental agreements.

The general economic situation is expected to curb the significant increase in supply in the coming years that was previously expected in the hotel market. This may strengthen the market position of the hotels that will open in Ylva-owned properties in 2024. In addition, the projects in the heart of Helsinki and Hakaniemi will benefit from their central locations and excellent transport connections.

The most significant near-term risks of HYY Real Estates are related to the cyclical development of the financial and property transaction markets, the success of real estate projects with regard to their schedules and costs, and rental risks and tenant risks.

In the restaurant business, the near-term risks are related to the University of Helsinki's policy decisions regarding the potential tendering of restaurant services, as well as decisions on whether hybrid teaching will continue to be used, which affects student mobility. In addition, the regulation of the basic price of student lunches, which does not take cost trends into account, remains a challenge. The maximum price of student lunches was increased in September 2022, and the meal subsidy was increased at the beginning of 2023. However, the increases were small relative to the sharp rise in raw material costs. In addition, conference and catering sales are highly dependent on the general economic climate.

Internal services do not carry significant risks or uncertainties. The risks are related to the risks of companies belonging to Ylva, and the potential ramifications for internal services.

## FINANCIAL RISK MANAGEMENT

Financial risk management and the associated principles are specified in the financing policy approved by Ylva's Board of Directors. In addition, the maximum amount of overall liabilities is decided in the investment and risk framework applicable to Ylva, approved annually by the Representative Council of the student union of the University of Helsinki.

The aim of financial risk management is to minimise the impact on the Group's profit, solvency and liquidity posed by financial risks related to the business. Risks related to the covenants of financing agreements, liquidity, refinancing and fluctuations in interest rates have been identified as the key financial risks. The main method of managing the risks is to keep the Group's total indebtedness low enough to ensure that the Group has room for manoeuvre if an unforeseen event arises. The aim is to keep the equity ratio, calculated using market values, at more than 50 per cent.

Ylva is exposed to interest rate risk through the reference rates on its interest-bearing debt and the discount rate used to determine the value of real estate assets. The interest rate risk gives rise to uncertainties concerning profits and the profitability of investments. The aim of interest rate risk management is to mitigate the effect of liabilities on fluctuations in profits over the long term. According to Ylva's hedging policy for interest rate risks, 30–70 per cent of debts should always be hedged against increases in the interest rate over a 24-month period, either using interest rate swaps, other interest rate derivatives or directly with fixed-interest loans. Interest hedges are not used to seek profit, and they must always be used to hedge loan liabilities, i.e. interest rate derivatives. Hedging agreements are not used for speculative purposes.

Continuously maintained liquidity management and adequate liquidity buffers ensure that Ylva can discharge its liabilities and obligations at all times.

Ylva's most significant credit risks are associated with tenant risks. These risks are managed by verifying and monitoring the credit ratings of customers. Tenants are also generally required to pledge a tenancy deposit or external guarantee. The restaurant business is mainly based on cash sales, which means that it does not involve significant credit risks.

## PERSONNEL

During the year under review, Ylva had an average of 126 employees. At the end of the year, the number of employees was 132 (2022: 129).

### Summary of indicators related to Ylva's personnel

	2023	2022	2021
Average number of employees	126	110	96
Salaries and bonuses (EUR million)	4.5	3.7	2.6

## MANAGEMENT, GOVERNANCE AND AUDITORS

Ylva's CEO is Leea Tolvas. During the financial year, the members of Ylva's Executive Team were as follows:

- Leea Tolvas, CEO of Ylva
- Anne Immonen, Business Director, Restaurants
- Ville Vaarala, Real Estate Director
- Eelis Rytönen, Chief Impact Leader, from 13 September

The provisions governing the asset management and business operations of the student union of the University of Helsinki (HYY) are documented in HYY's administrative regulations. According to the administrative regulations, HYY Real Estates has a real estates board as part of Ylva's governance structure, the Chair of which is elected by the board of the student union. The decision-making authorisations of the real estates board, which serves as Ylva's Board of Directors, are laid out by an annual authorisation decision by the board of the student union.

Ylva's Board of Directors had 10 members in 2023 and convened 11 times during the financial year. The attendance rate at Board meetings was 92 per cent. The members of Ylva's Board of Directors were as follows:

- Mika Heikkilä, Chair
- Tuomas Aho
- Jaakko Hietala, assessor
- Mikko Järveläinen
- Timo Kalliokoski
- Joel Lindqvist (until 31 March)
- Joonas Pulliainen
- Tarja Pääkkönen, assessor
- Reima Rytsölä, assessor
- Aleksu Tujunen (from 1 April)
- Erkkä Valkila, assessor
- Petri Minni, personnel representative

Ylva's Board of Directors monitors and oversees real estate rental operations and investment operations as a whole and serves as the Board of Directors of Ylva Services Ltd. Ylva's Board of Directors reviews the budgets and financial statements of the properties and presents them to the board of the student union. Ylva's financial matters are discussed and prepared by Ylva's Board of Directors but presented to the board of the student union for decisions as necessary. At the strategic level, Ylva's operations are guided by the ownership strategy approved by the Representative Council of the student union. Among other things, the ownership strategy sets out the key objectives for Ylva's operations and the means to achieve them. In addition, the Representative Council of the student union decides on and confirms the annual investment and risk framework, including the specifications concerning Ylva's maximum liabilities and real estate mortgages.

Ylva's Board of Directors has appointed an audit committee, an investment committee and an HR committee.

The audit committee consists of the Chair of the Board of Directors and two other members of the Board of Directors, one of whom is an assessor. Ylva's CEO, the CFO, the Chair of Ylva's Supervisory Board, the auditor with principal responsibility and the secretary to the committee are entitled to attend the meetings. The audit committee convened twice during the financial period and the attendance rate at the meetings was 83 per cent.

The investment committee is chaired by the Chair of Ylva's Board of Directors and it also includes four other members of the Board of Directors, two of whom are assessors. Ylva's CEO, the Chair of Ylva's Supervisory Board and the secretary to the committee are entitled to attend the meetings. The investment committee assists the management in matters of principle related to investments, investment risks and financing, and in choosing an asset manager. However, it does not make independent decisions. The management submits proposals for decisions to Ylva's Board of Directors. The investment committee convened four times during the financial year. The attendance rate at the investment committee's meetings was 90 per cent.

The HR committee is chaired by the Chair of Ylva's Board of Directors, and it additionally consists of three members of the Board of Directors, one of whom is an assessor. Ylva's CEO, the Chair of Ylva's Supervisory Board and the secretary to the committee are entitled to attend the meetings. The HR committee convened nine times during the financial year. The attendance rate at the HR committee's meetings was 97 per cent.

KPMG Oy Ab served as the auditor of the parent entity of HYY's Representative Council and of Ylva Services Ltd and its group of companies in 2023, having been elected to this position at the Annual General Meeting. In accordance with the decisions made by the entities, KPMG Oy Ab's audit plan includes internal audits of the entities. The auditors took this into consideration and, where necessary, expanded the scope of their audits. In addition, the auditors conducted separate internal audit projects in specifically agreed areas.

## SUSTAINABILITY AND RESPONSIBILITY

Our business areas are developed and managed in an ecologically, socially and economically sustainable manner. Sustainability is incorporated into all of Ylva's activities: Ylva's mission is to conduct responsible business operations by building a vibrant and sustainable city and producing services for the University community. The Articles of Association of Ylva Services Ltd include an obligation to align the company's business activities with the 1.5°C target stipulated by the Paris climate agreement, and one of Ylva's strategic objectives is to achieve operational carbon neutrality by the end of 2025. The measures aimed at achieving the goal of carbon neutrality are documented annually in Ylva's carbon budget.

In addition to prioritising sustainability in its own operations, Ylva is a corporate activist that champions the development of sustainable business in Finland. As part of its advocacy efforts, Ylva reports on its operations openly and transparently. Ylva's ethical guidelines and business principles are documented in Ylva's Code of Conduct. Ylva has a third-party whistleblowing channel that anyone can use to send Ylva feedback or anonymously report any observed misconduct or shortcomings.



Sustainability is a permanent component of Ylva's strategy, and the management of sustainability is the responsibility of the company's senior management and the Board of Directors. The sustainability-related principles and targets are described in more detail in the sustainability strategy approved by Ylva's Board of Directors. Ylva's Executive Team evaluates the sustainability targets and the actions aimed at their achievement at least once a year as part of its strategy-related work, and reports to the Board of Directors three times per year on the sustainability indicators and related actions.

From the perspective of sustainability, the most significant negative impacts of Ylva's business operations are associated with the carbon footprint of construction, the energy consumption and maintenance of properties, and the carbon emissions of the raw materials used by our restaurants. Ylva's business operations also have social impacts. The selection of partners and stakeholders, employee well-being and inclusion at our construction sites are important aspects of sustainability for Ylva.

Ylva's operations are guided by the UN Sustainable Development Goals (SDGs). Ylva's sustainability targets are taken into account at all levels of decision-making, and they are reflected in Ylva's day-to-day business operations. The key sustainability targets, the carbon footprint of operations and the Great Place to Work (GPTW) certificate, which reflects employee well-being, have also been incorporated into the remuneration criteria of the personnel. External commitments – such as the World Green Building Council's Net Zero Carbon Buildings Commitment, the Science Based Targets initiative (SBTi) and the UN Global Compact – play a part in determining Ylva's operating principles and disclosures.

In 2023, Ylva was accepted as one of the participants in the Science Based Targets for Nature pilot programme of UN Global Compact Finland. In the programme, Ylva will develop its nature-related efforts in accordance with the Science Based Targets Network (SBTN) framework and set science-based targets for nature for its activities.

The total consumption of purchased energy at Ylva's properties decreased by approximately 5 per cent in 2023 when compared to 2022. The measured production of solar power and heat pump solutions covered approximately 1.6 per cent of the energy needs of the entire property portfolio. In 2023, Ylva set a target of increasing the recycling rate in the waste management of its properties to 70 per cent by 2025. During the year under review, the recycling rate was increased by five percentage points to 51 per cent. However, the volume of waste generated was almost one-third higher than in 2022, which meant that the emissions arising from waste management increased from approximately 4,800 tCO<sub>2</sub>e to approximately 6,300 tCO<sub>2</sub>e. The office and retail building in the Lyyra block was completed in 2023. The building was awarded a LEED Platinum sustainability certificate and energy class A. The emissions arising from the construction of Lyyra were reduced by 16 per cent.

The carbon footprint calculation of UniCafe restaurants was updated in 2023. Consequently, the scope of the calculation covered 96 per cent of all meals sold at UniCafe locations at the end of the year (2022: 94 per cent). During the year, Ylva began monitoring the share of vegan meals sold, as calculations indicate that they have the most significant impact on the total carbon footprint of operations. The share of vegan meals sold increased to 45 per cent, representing an increase of five percentage points when compared to 2022. The average carbon footprint per lunch meal served decreased less than expected, to 0.64 kgCO<sub>2</sub>e/meal (2022: 0.65 kgCO<sub>2</sub>e/meal). One factor behind the smaller-than-expected decrease was the introduction of bowl meals, which have a relatively high carbon footprint due to the rice they

contain. A supply chain reassessment was carried out in the UniCafe business during the year due to Russia's war of aggression. As a result of the process, over 30 products were replaced with more responsible alternatives. The restaurants also launched a Sustainability Agent programme, which involves personnel representatives monitoring the use of good practices at the restaurants.

In 2023, Ylva made a commitment to the Green Deal between the Ministry of the Environment and the food and restaurant industry, as well as the food industry's material efficiency agreement. As part of these commitments, Ylva set a target of reducing the amount of single-use plastic in take-away packaging to 0.86 tonnes by 2026. A fee for take-away packaging was introduced in 2023, and the option for customers to use their own containers was communicated to customers. Plastic lids for single-use cups were also removed from self-service areas. Thanks to these measures, the amount of plastic used for take-away packaging was 0.87 tonnes at the end of 2023, which is close to the target set for 2026.

The Ylva trainee programme continued in 2023. In summer 2023, two IT trainees were selected from over 100 applicants. It was decided that the Great Place To Work survey would be conducted in January 2024 to account for the impacts of the change negotiations carried out in December regarding permanent office personnel. Ylva's anonymous whistleblowing channel made it possible to address identified problems in 2023. A total of five anonymous reports were received. The problems were addressed, which made work easier at Ylva's construction sites.

More information on sustainability is available on Ylva's website at [www.ylva.fi](http://www.ylva.fi).

## Indicators related to the sustainability of Ylva's properties, Scope 1 & Scope 2 2022–2023

	2023		2022	
	Consumption (MWh)	Emissions (tCO <sub>2</sub> e)	Consumption (MWh)*	Emissions (tCO <sub>2</sub> e)
Purchased heating energy used by the properties	8,823	0	9,421	0
Purchased cooling energy used by the properties	878	0	680	0
Purchased electricity used by the properties	8,270	0	8,720	0
Energy produced by solar panels installed at the properties	26	0	3	0
Energy produced by air source heat pumps installed at the properties	257	0	399	0
Total	18,254	0	19,222	0

\* The consumption figures are based on actual invoiced and measured consumption. The zero emissions of heating and cooling energy are based on certificates obtained from the energy company. The zero emissions of electricity are based on certificates of origin. The production data for solar power and heat pump solutions is based on measurements, but there are some gaps in the data with regard to Kiinteistö Oy Leppätalo's solar panel data and the air source heat pump figures for February and November 2023.



## Waste management emissions at Ylva's properties (Scope 3) 2022–2023

	2023		2022	
	Recycling rate (%)	Emissions (tCO <sub>2</sub> e)	Recycling rate (%)	Emissions (tCO <sub>2</sub> e)
Measured emissions of waste management at the properties (source: Lassila & Tikanoja)	51	6,300	46	4,800

## Estimated construction-related emissions (Scope 3) in Ylva's renovation and new construction projects before the commissioning of the buildings (YM50, A1–A5) 2020–2024

	2020–2024		
	Emissions before commissioning (A1–A5, YM50, tCO <sub>2</sub> e)	gross m <sup>2</sup>	Emissions before commissioning kgCO <sub>2</sub> e/gross m <sup>2</sup>
Lyyra (calculated using the YM50 method 2020)	13,000	27,600	470
Grand Hansa (calculated using the YM50 method 2020)	3,000	18,700	160
Grand Hansa (calculated using the updated YM50 method 2023)	4,400	18,700	235

## Sustainability indicators for Ylva's restaurants

	2023	2022	2021
Share of vegetarian and vegan meals among all meals sold (%)	48	48	47
Share of vegan meals among all meals sold (%)	45	40	42
Average carbon footprint of sold lunch meals (kgCO <sub>2</sub> e/meal)	0.64	0.65	not calculated
Coverage of the carbon footprint calculation of lunch meals (% of lunch meals sold)	96	94	not calculated

## EVENTS AFTER THE FINANCIAL YEAR AND THE DEVELOPMENT OUTLOOK

Ylva still has a significant real estate project under way in Helsinki's city centre, in Kaivopihka (the Grand Hansa hotel project). The focus during the new financial year will be on the successful completion of the real estate project in spite of the market-related challenges, while simultaneously managing the financial risks associated with the project. The Lyyra block built in Hakaniemi was completed in early 2024. A commissioning inspection of the residential and hotel building was carried out in January 2024. Regarding both projects, additional investment decisions had to be made in February 2024.

Negotiations were held at the beginning of 2024 regarding the terms of HYY Real Estates' EUR 235 million syndicated financing package, and a solution was reached in February 2024. Not all of the terms associated with HYY Real Estates' bank loans were fulfilled on the balance sheet date. The bank syndicate has issued a waiver regarding the terms of the loan to ensure the continuation of the financing.

The Group's net sales and operational EBITDA are expected to increase in 2024. In the real estate business, net sales and EBITDA are expected to increase particularly due to the completion of the Grand Hansa hotel project. However, cash flow from operations will be weakened by rising financial expenses due to the increased amount of debt caused by real estate development projects and the high level of the Euribor reference rates. Moderate growth in net sales and profit is expected in the restaurant business. Internal services are expected to remain stable on the whole. The focus is on ensuring the profitable growth of Ylva's business during the new year and in the coming years. This will be achieved through business development and the improvement of the cost-efficiency and scalability of internal services.

Barring significant changes in the market, the market value of Ylva's assets is expected to grow moderately as the investments are completed.

## STUDENT UNION OF THE UNIVERSITY OF HELSINKI (HYY) STUDENT OPERATIONS FINANCIAL MANAGEMENT

The operating finance derived from the realisation of the student union's purpose as stipulated in the Universities Act – Student Union of the University of Helsinki (HYY) operations financial management – is a form of financing tied to the budget of a public entity without a legal obligation to keep accounts under the Accounting Act. The financial management of student operations and the related budget, accounting, financial statements and auditing are subject to the regulations applying to student unions (the law, the student union's bylaws, the rules of finance). The financial management of student operations is not consolidated with Ylva. Ylva's distribution of profit/capital is carried out by means of transfers from the unrestricted equity of HYY Real Estates to the contingency reserve for the financial management of student operations.

The operating expenses for the financial management of student operations in 2023 amounted to EUR 3.8 million (2022: EUR 4.0 million). Of this amount, EUR 1.3 million was covered by membership fees and EUR 0.1 million was covered by proactive fundraising, grants and collections. The student union membership fee for 2023 – EUR 52 per member – was among the lowest student union fees in Finland. The EUR 2.4 million deficit in the financial management of student operations was covered by the contingency reserve, which has been built up with profit/capital distributions from Ylva.

On 31 December 2023, the balance sheet total for the financial management of operations was EUR 1.7 million, with shareholders' equity accounting for EUR 0.9 million of this sum.



# Financial statements

Income statement.....	12
Balance sheet.....	13
Cash flow statement.....	14
Notes to the financial statements .....	15
Accounting principles .....	15
Notes to the income statement .....	16
Notes to the balance sheet.....	19
Other notes.....	23
Signatures to the financial statements and annual report ....	24
Auditor's statement.....	24
Auditor's report .....	25
Statement of the Supervisory Board.....	27



## INCOME STATEMENT

EUR	Note number	1 Jan–31 Dec 2023	%	1 Jan–31 Dec 2022	%
<b>NET SALES</b>	1	<b>29,270,464</b>	<b>100.0</b>	<b>24,926,427</b>	<b>100.0</b>
Other operating income	2	6,391,604	21.8	946,156	3.8
Materials and services	3	-7,654,166	26.1	-5,857,691	23.5
Personnel expenses	4	-5,420,836	18.5	-4,360,935	17.5
Depreciation and impairment	5, 9, 10	-32,234,330	110.1	-7,250,391	29.1
Other operating expenses	6	-10,157,420	34.7	-6,244,190	25.1
<b>OPERATING PROFIT (LOSS)</b>		<b>-19,804,684</b>	<b>-67.7</b>	<b>2,159,377</b>	<b>8.7</b>
Financial income and expenses	7				
Income from other investments in non-current assets		0	0.0	9,531	0.0
Other interest and financial income		1,010,634	3.5	262,840	1.1
Impairment of investments in non-current assets		0	0.0	-416,476	1.7
Interest expenses and other financial expenses		-10,136,089	34.6	-5,382,477	21.6
Change in fair value of investment securities		0	0.0	-1,531,122	-6.1
Total financial income and expenses		-9,125,455	31.2	-7,057,704	-28.3
<b>PROFIT (LOSS) BEFORE TAXES</b>		<b>-28,930,139</b>	<b>-98.8</b>	<b>-4,898,327</b>	<b>-19.7</b>
Income taxes	8	-9,898	0.0	189,973	-0.8
Minority interests		11,906,832	40.7	3,964	0.0
<b>PROFIT (LOSS) FOR THE FINANCIAL PERIOD</b>		<b>-17,033,205</b>	<b>-58.2</b>	<b>-4,704,390</b>	<b>-18.9</b>



## BALANCE SHEET

EUR	Note number	31 Dec 2023	%	31 Dec 2022	%
<b>ASSETS</b>					
<b>NON-CURRENT ASSETS</b>					
Intangible assets	9				
Intangible rights		229,789		359,119	
Other intangible assets		8,608,876		12,032,977	
		8,838,665	2.7	12,392,095	4.0
Tangible assets	6, 10				
Land		41,874,554		49,107,344	
Buildings and constructions		92,028,053		96,379,863	
Machinery and equipment in buildings		8,420,820		6,961,815	
Machinery and equipment		296,395		219,486	
Other tangible assets		1,113,144		1,182,609	
Advance payments and acquisitions in progress		135,409,236		115,966,433	
		279,142,204	86.0	269,817,551	88.1
Investments	11				
Other shares and holdings		624,811	0.2	624,811	0.2
<b>TOTAL NON-CURRENT ASSETS</b>		<b>288,605,680</b>	<b>88.9</b>	<b>282,834,458</b>	<b>92.3</b>
<b>CURRENT ASSETS</b>					
Inventories					
Finished products/goods		118,359	0.0	88,879	0.0
Short-term receivables	12				
Trade receivables		3,212,895		1,318,756	
Receivables from owners		10,860		3,530	
Loan receivables		4,750		13,650	
Other receivables		7,151,469		5,591,476	
Prepayments and accrued income		547,084		754,461	
		10,927,058	3.4	7,681,872	2.5
Cash and cash equivalents		24,982,695	7.7	15,743,224	5.1
<b>TOTAL CURRENT ASSETS</b>		<b>36,028,113</b>	<b>11.1</b>	<b>23,513,975</b>	<b>7.7</b>
<b>ASSETS</b>		<b>324,633,792</b>	<b>100.0</b>	<b>306,348,433</b>	<b>100.0</b>

EUR	Note number	31 Dec 2023	%	31 Dec 2022	%
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>SHAREHOLDERS' EQUITY</b>					
	13				
Equity		3,000,000		3,000,000	
Reserve fund		207,484		207,484	
Retained earnings (losses)		45,056,776		49,761,166	
Profit (loss) for the financial period		-17,033,205		-4,704,390	
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>31,231,055</b>	<b>9.6</b>	<b>48,264,260</b>	<b>15.8</b>
<b>MINORITY INTERESTS</b>		<b>16,662,293</b>	<b>5.1</b>	<b>27,053,591</b>	<b>8.8</b>
<b>MANDATORY PROVISIONS</b>		<b>1,835,000</b>		<b>0</b>	
<b>LIABILITIES</b>					
	14				
Long-term					
Loans from financial institutions		226,659,351		207,626,354	
Deferred tax liabilities		164,130		230,669	
Accrued expenses and deferred income		0		77,634	
		226,823,481	69.9	207,934,657	67.9
Short-term					
Loans from financial institutions		33,120,926		9,313,245	
Advances received		560,376		657,950	
Trade payables		7,031,242		6,870,291	
Liabilities to owners		0		0	
Other liabilities		3,151,610		2,902,402	
Accrued expenses and deferred income		4,217,810		3,352,037	
		48,081,964	14.8	23,095,924	7.5
<b>TOTAL LIABILITIES</b>		<b>274,905,444</b>	<b>84.7</b>	<b>231,030,581</b>	<b>75.4</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>324,633,792</b>	<b>100.0</b>	<b>306,348,433</b>	<b>100.0</b>



## CASH FLOW STATEMENT

EUR	2023	2022
<b>OPERATING CASH FLOW</b>		
Operating profit	-19,804,684	2,159,377
Adjustments to operating profit		
Planned depreciation	7,574,330	7,250,391
Other adjustments	23,352,058	-2,095
Change in working capital		
Short-term receivables, increase/decrease (-/+)	-2,403,645	-3,845,715
Inventories, increase/decrease (-/+)	-29,481	-26,444
Interest-bearing short-term debt, increase/decrease (+/-)	-3,476,392	-6,287,940
Taxes and fees paid	-8,643,857	-4,837,225
Financial income received	1,010,634	208,919
Taxes paid	-76,437	96,750
<b>OPERATING CASH FLOW</b>	<b>-2,497,474</b>	<b>-5,283,982</b>
<b>CASH FLOW FROM INVESTMENTS</b>		
Investments in tangible and intangible assets	-89,065,939	-64,010,789
Proceeds from sales of tangible and intangible assets	32,976,670	2,800
Long-term investments (investment portfolio)	0	10,503,710
Investment portfolio dividends and refunds of fees	6,107	60,829
Proceeds and losses from investment portfolio sales	0	-415,641
<b>CASH FLOW FROM INVESTMENTS</b>	<b>-56,083,162</b>	<b>-53,859,090</b>

EUR	2023	2022
<b>CASH FLOW FROM FINANCING</b>		
Withdrawal (+)/repayment (-) of short-term loans	23,720,181	-5,000,000
Withdrawal (+) of long-term loans	93,913,346	38,497,020
Repayment of long-term loans (-)	-51,328,953	-508,477
Distribution of profit/capital paid out	0	-1,400,000
Investment in equity	1,515,534	6,028,638
<b>CASH FLOW FROM FINANCING</b>	<b>67,820,108</b>	<b>37,617,181</b>
Change in cash and cash equivalents	9,239,472	-21,525,891
<b>CASH AND CASH EQUIVALENTS, 1 JAN</b>	<b>15,743,224</b>	<b>37,269,114</b>
<b>CASH AND CASH EQUIVALENTS, 31 DEC</b>	<b>24,982,695</b>	<b>15,743,224</b>



## NOTES TO THE FINANCIAL STATEMENTS

Ylva Group's parent entity is HYY Real Estates (domiciled in Helsinki). HYY Real Estates owns 56 per cent of Helsingin Lyyra Ky, which is the parent company of the sub-group (domiciled in Helsinki).

No consolidated sub-group financial statements were prepared for Helsingin Lyyra Ky pursuant to Chapter 6, Section 1 of the Accounting Act. The financial statements of the companies belonging to the Group have been consolidated into Ylva Group's financial statements. Copies of Ylva Group's financial statements are available at Ylva's headquarters (Kaivokatu 10 A, 00100 Helsinki, Finland).

## ACCOUNTING PRINCIPLES

Ylva's financial statements were prepared in accordance with the Accounting Act and the rules and regulations applicable in Finland.

### Scope

The consolidated financial statements include all of the subsidiaries of which the parent entity directly or indirectly owns more than 50 per cent.

### Owners

The owners consist of the operative financial management of the student union of the University of Helsinki – HYY's financial management of student operations – which does not belong to Ylva.

### Calculation principles

The consolidated financial statements are based on original acquisition prices. Intra-Group transactions, profit distribution, receivables and liabilities, and any internal margins have been eliminated.

Mutual shareholdings have been eliminated using the acquisition cost method. The difference between the acquisition price and shareholders' equity is recognised as consolidated goodwill, depreciated over its economic life.

In the income statement, minority interests are separated out as a share of the profit for the financial period and as a share of shareholders' equity in the balance sheet.

In order to comply with the principle of prudence, Ylva has not recognised tax assets deriving from confirmed losses and deferred depreciation (the temporary difference between bookkeeping and taxation) in the balance sheet.

Electricity forward contracts and interest rate swaps for long-term loans are not recognised at fair value in the balance sheet. The fair values of these assets are presented in the notes. When electricity forward contracts are realised, the hedging effect is recognised through profit or loss as an adjustment to the electricity expenses incurred. The interest rates based on interest rate swaps are recognised in the income statement according to the accruals principle.

### Net sales

Net sales consist of the income from sales of products and services, as well as lease income and compensation for the use of real estate, with deductions for indirect taxes, discounts and exchange rate losses related to trade receivables, plus the exchange rate gains related to trade receivables.

### Pensions

The statutory and voluntary pension cover for the personnel of Group companies has been arranged via external insurance companies.

### Non-current assets and depreciation

Fixed assets are recognised on the balance sheet at acquisition cost less planned depreciation. Planned depreciation is calculated on a straight-line basis over the economic service life of fixed assets.

The service lives of assets used as the basis for planned depreciation are as follows:

- Intangible rights 3–5 years
- Other long-term expenditure 3–30 years
- Buildings and constructions 15–40 years
- Machinery and equipment in buildings 5–20 years
- Machinery and equipment 3–5 years
- Other tangible assets 20 years

In line with the materiality principle, which is integral to good accounting practice, minor tangible assets such as mobile phones and computers, with an estimated economic service life of less than three years, have been recognised directly as annual expenses. Land has not been depreciated.

Other long-term expenditure includes renovation expenses if the lessor agrees to renovate leased premises when the tenancy agreements are negotiated and the impact of the renovation is taken into consideration when the price of the rent is determined. In general, the depreciation period for these is the same as the term of the tenancy agreement.

The interest and other financial expenses associated with the Kiinteistö Oy Lyyra investment project and the Grand Hansa project have been recognised in acquisitions in progress and will be capitalised as building acquisition costs when the buildings are completed.

For more information on the market values of real estate, value adjustments during the financial period and the potential for value increases, see the notes to the balance sheet.

The estimated market value of real estate properties was calculated by Jones Lang LaSalle Finland Oy, an authorised property valuer. The market value was calculated according to the following principles: The valuation method was the 10-

or 15-year discounted cash flow method (net present value method). The modelling made use of the M2 cash flow model, which is used in the Finnish market. The calculation used the rents stated in the tenancy agreements for each leased unit. The rent for the period after the tenancy is the market rent estimated by the valuer. The potential gross rental income is the sum of the return according to the tenancy agreements and the return potential calculated at market rents for empty units. In addition, any other charges collected from tenants (e.g., electricity and water charges) were added as other income. The effective rental income was obtained by subtracting the underutilisation on the date of calculation and the presumed structural underutilisation prevailing after the lease is renewed. The net return was obtained by subtracting the property management expenses and potential tenant alterations. The net return after comprehensive renovations was obtained by subtracting the value of overhaul-type renovations and investments. The present value of future cash flows was calculated by discounting the aforementioned net return to the present.

The residual value at the end of the cash-flow period was calculated by capitalising the net return after comprehensive renovation in the 11th or 16th year by the return requirement for the terminal value. The total value of the real estate was obtained by summing the present values of the annual net cash flows in the cash-flow period and the discounted residual value on the calculation date.

The valuer determined the yield requirements by taking into account the lengths of tenancy agreements, tenants, locations, characteristics of the premises, recent comparable transactions on the Finnish market and on other European markets, sale negotiations on the record, the position of the financial markets, and its knowledge of the current return requirements of active investors.

## Investments

The parent entity of Ylva Group acts as a securities investor. Listed securities (the investment portfolio) are recognised at market value. The investment portfolio was liquidated in December 2022. In other regards, securities held as non-current assets are valued at acquisition price or, if their fair value is permanently impaired, at the lower value.

## Current assets

Inventories are recognised in the balance sheet at acquisition cost or at likely sale price, whichever is lower.

## Appropriations

Appropriations are depreciation differences, and the change in the deferred tax liability caused by these differences is recognised in the consolidated financial statements under taxes for the financial period. Accumulated appropriations are divided between tax liabilities and unrestricted equity in the consolidated balance sheet.

# NOTES TO THE INCOME STATEMENT

## 1. Distribution of net sales

EUR	2023	2022
By business sector		
Real estate	16,776,353	15,600,895
Restaurants	12,494,112	9,325,532
<b>TOTAL</b>	<b>29,270,464</b>	<b>24,926,427</b>
By market area		
Finland	29,270,464	24,926,427

## 2. Other operating income

EUR	2023	2022
Profit from the sale of fixed assets	5,848,295	2,095
Insurance compensation and government grants	0	944,061
Other	543,309	0
<b>TOTAL</b>	<b>6,391,604</b>	<b>946,156</b>

Profit from the sale of fixed assets includes profit from the sale of a property located in Leppäsuo.

## 3. Materials and services

EUR	2023	2022
Raw materials and consumables	4,812,582	3,685,354
External services	2,841,585	2,172,337
<b>TOTAL</b>	<b>7,654,166</b>	<b>5,857,691</b>



## 4. Personnel and members of governing bodies

EUR	2023	2022
Personnel expenses		
Salaries and bonuses	4,476,264	3,658,393
Pension contributions	768,498	600,065
Other personnel expenses	176,075	102,477
<b>TOTAL</b>	<b>5,420,836</b>	<b>4,360,935</b>
Salaries and bonuses for the management		
Ylva's CEO, including fringe benefits	262,000	216,400
Members of Ylva's Board of Directors	103,700	97,700
<b>TOTAL</b>	<b>365,700</b>	<b>314,100</b>

In the event of termination, Ylva's CEO is entitled to compensation corresponding to six months' salary.

Ylva's CEO, Executive Team and personnel are, in accordance with the criteria confirmed annually by the Board of Directors, covered by the short-term (calendar year) performance-related bonus scheme approved by Ylva's Board of Directors. The previous long-term performance-related bonus scheme for the key personnel on real estate projects (two persons) ended in 2023 as the projects were completed.

### Pension commitments for the management

There are no pension commitments pertaining to the management.

### Average number of employees during the financial year

	2023	2022
Personnel	126	110

## 5. Depreciation and impairment

EUR	2023	2022
<b>DEPRECIATION BY FIXED ASSET CLASS</b>		
Intangible assets		
Intangible rights	129,329	139,654
Other intangible assets	2,726,248	2,609,138
Tangible assets		
Buildings and constructions	3,502,967	3,277,513
Machinery and equipment in buildings	1,024,441	985,722
Machinery and equipment	121,880	168,899
Other tangible assets	69,465	69,465
Impairment of non-current assets	24,660,000	0
<b>TOTAL</b>	<b>32,234,330</b>	<b>7,250,391</b>

## 6. Auditor's fees and services

EUR	2023	2022
Auditing	80,891	35,278
Tax advice	5,322	10,420
Other services	174,608	13,258
<b>TOTAL</b>	<b>260,821</b>	<b>58,956</b>

## 7. Financial income and expenses

EUR	2023	2022
Dividend income		
From others	0	9,531
Other interest and financial income		
Profit from the sale of investment securities	0	11,514
Other		
From others	1,010,634	251,325
Total	1,010,634	262,840
Total financial income	1,010,634	272,371
Impairment of investments in non-current assets		
Impairment of equities	0	-416,476
Interest expenses and other financial expenses		
Losses from the sale of investment securities	0	-106,006
Other		
To others	-10,136,089	-5,276,471
Total	-10,136,089	-5,382,477
Total financial expenses	-10,136,089	-5,382,477
Change in fair value of investment securities	0	-1,531,122
<b>TOTAL</b>	<b>-9,125,455</b>	<b>-7,057,704</b>

## 8. Assessed taxes

EUR	2023	2022
Change in deferred tax liabilities		
Due to appropriations	-9,898	-189,973
<b>TOTAL</b>	<b>-9,898</b>	<b>-189,973</b>



## NOTES TO THE BALANCE SHEET

### 9. Intangible assets

EUR	2023	2022
<b>INTANGIBLE RIGHTS</b>		
Acquisition cost, 1 Jan	1,334,502	1,334,502
Additions	0	0
Acquisition cost, 31 Dec	1,334,502	1,334,502
Accumulated depreciation, 1 Jan	-975,384	-835,729
Depreciation for the financial period	-129,329	-139,654
Accumulated depreciation, 31 Dec	-1,104,713	-975,384
Carrying value, 31 Dec	229,789	359,119
<b>OTHER INTANGIBLE ASSETS</b>		
Acquisition cost, 1 Jan	37,807,630	33,260,466
Additions	0	47,780
Decreases	-2,084,147	0
Transfers from acquisitions in progress	790,134	4,499,384
Acquisition cost, 31 Dec	36,513,617	37,807,630
Accumulated depreciation, 1 Jan	-25,774,654	-23,165,516
Accumulated depreciation on decreases and transfers	596,160	0
Depreciation for the financial period	-2,726,248	-2,609,138
Accumulated depreciation, 31 Dec	-27,904,742	-25,774,654
Carrying value, 31 Dec	8,608,876	12,032,977

### 10. Tangible assets

EUR	2023	2022
<b>LAND</b>		
Acquisition cost, 1 Jan	49,107,344	49,587,005
Additions	318,730	0
Decreases	-7,551,520	-683,181
Transfers from acquisitions in progress	0	203,520
Acquisition cost, 31 Dec	41,874,554	49,107,344
Carrying value, 31 Dec	41,874,554	49,107,344
<b>BUILDINGS AND CONSTRUCTIONS</b>		
Acquisition cost, 1 Jan	163,174,422	162,780,964
Decreases	-42,162,556	0
Transfers from acquisitions in progress	38,211,841	393,458
Acquisition cost, 31 Dec	159,223,707	163,174,422
Accumulated depreciation, 1 Jan	-66,794,559	-63,517,046
Accumulated depreciation on decreases and transfers	3,101,872	0
Depreciation for the financial period	-3,502,967	-3,277,513
Accumulated depreciation, 31 Dec	-67,195,654	-66,794,559
Carrying value, 31 Dec	92,028,053	96,379,863
<b>MACHINERY AND EQUIPMENT IN BUILDINGS</b>		
Acquisition cost, 1 Jan	20,758,460	20,694,797
Additions	0	0
Decreases	-6,276,121	0
Transfers from acquisitions in progress	8,613,388	63,663
Acquisition cost, 31 Dec	23,095,727	20,758,460
Accumulated depreciation, 1 Jan	-13,796,645	-12,810,923

EUR	2023	2022
Accumulated depreciation on decreases and transfers	146,178	0
Depreciation for the financial period	-1,024,441	-985,722
Accumulated depreciation, 31 Dec	-14,674,907	-13,796,645
Carrying value, 31 Dec	8,420,820	6,961,815
<b>MACHINERY AND EQUIPMENT</b>		
Acquisition cost, 1 Jan	2,356,256	2,262,151
Additions	206,750	87,890
Decreases	-78,727	-12,685
Transfers from acquisitions in progress	0	18,900
Acquisition cost, 31 Dec	2,484,279	2,356,256
Accumulated depreciation, 1 Jan	-2,136,770	-1,979,851
Accumulated depreciation on decreases and transfers	70,766	11,980
Depreciation for the financial period	-121,880	-168,899
Accumulated depreciation, 31 Dec	-2,187,883	-2,136,770
Carrying value, 31 Dec	296,395	219,486
<b>OTHER TANGIBLE ASSETS</b>		
Acquisition cost, 1 Jan and 31 Dec	2,117,320	2,117,320
Accumulated depreciation, 1 Jan	-934,711	-865,246
Depreciation for the financial period	-69,465	-69,465
Accumulated depreciation, 31 Dec	-1,004,175	-934,711
Carrying value, 31 Dec	1,113,144	1,182,609
<b>ADVANCE PAYMENTS AND ACQUISITIONS IN PROGRESS</b>		
Acquisition cost, 1 Jan	115,966,433	45,103,337
Additions	91,718,167	76,042,021
Decreases	-24,660,000	0
Transfers between asset items	-47,615,363	-5,178,925

EUR	2023	2022
Acquisition cost, 31 Dec	135,409,236	115,966,433
Carrying value, 31 Dec	135,409,236	115,966,433

## Market value of real estate<sup>1</sup>

EUR	2023	2022
<b>MARKET VALUE</b>		
<b>Central real estate properties</b>	300,100,000	314,500,000
Mannerheimintie 3-5, Kaivokatu 10, Aleksanterinkatu 23 Area of the plot: 11,616 m <sup>2</sup> Gross leasable area (GLA) 44,001 m <sup>2</sup>		
<b>Leppäsuu properties</b>	38,700,000	48,800,000
Leppäsuonkatu 9, Hietaniemenkatu 14 Area of the plot: 5,651 m <sup>2</sup> Gross leasable area (GLA) 10,541 m <sup>2</sup>		
<b>Domus Gaudium</b>	7,100,000	8,300,000
Ownership of the premises: HYY Real Estates: 60%, Helsinki School of Economics Support Foundation: 40% Mechelininkatu 3 C Area of the plot: 1,901 m <sup>2</sup> Gross leasable area (GLA) 3,253 m <sup>2</sup>		
<b>TOTAL MARKET VALUE</b>	<b>345,900,000</b>	<b>371,600,000</b>
<b>TOTAL CORRESPONDING CARRYING VALUE</b>	<b>131,023,910</b>	<b>133,610,721</b>
<b>DIFFERENCE BETWEEN MARKET VALUE AND CARRYING VALUE</b>	<b>214,876,090</b>	<b>237,989,279</b>

<sup>1</sup> The market value is stated if it is materially different from the carrying value. The accounting principles in the financial statements describe the calculation principles used.

In addition, the Lyyra plot and Lyyra project in progress in Hakaniemi constitute a significant proportion of real estate assets. Their total carrying value is EUR 56,894,873.



## 11. Investments

EUR	2023	2022
<b>OTHER SHARES AND HOLDINGS</b>		
Acquisition cost, 1 Jan	1,048,977	11,708,135
Additions	0	2,846,006
Decreases	0	-13,505,164
Acquisition cost, 31 Dec	1,048,977	1,048,977
Accumulated value changes, 1 Jan	-424,165	1,046,835
Decreases	0	476,597
Value changes during the financial period	0	-1,947,598
Accumulated value changes, 31 Dec	-424,165	-424,165
Carrying value, 31 Dec	624,811	624,811
	Group holding (%)	Parent entity holding (%)
<b>GROUP COMPANIES</b>		
Ylva Services Ltd	100.0	100.0
Kiinteistö Oy Uusi Lyyra	55.0	55.0
Kiinteistö Oy Kaivokatu 12	100.0	100.0
Ylva Helsinki Oy	100.0	100.0
Kiinteistö Oy Leppätalo	61.1	61.1
Helsingin Lyyra GP Oy	100.0	100.0
Helsingin Lyyra Ky	56.0	56.0

## 12. Receivables

EUR	2023	2022
<b>SHORT-TERM RECEIVABLES</b>		
Receivables from owners		
Trade receivables	10,860	3,530
Material items of prepayments and accrued income		
Related to personnel	33,879	33,503
Other	513,205	720,958
Total	547,084	754,461
Deferred tax assets		
From confirmed losses	473,479	238,896
From deferred depreciation	38,296	37,881
Total	511,775	276,777

No deferred tax assets have been recognised.

### 13. Shareholders' equity

EUR	2023	2022
<b>RESTRICTED EQUITY</b>		
Equity, 1 Jan and 31 Dec	3,000,000	3,000,000
Equity, 31 Dec	3,000,000	3,000,000
Reserve fund, 1 Jan and 31 Dec	207,484	207,484
Reserve fund, 31 Dec	207,484	207,484
Total restricted equity	3,207,484	3,207,484
<b>UNRESTRICTED EQUITY</b>		
Retained earnings (losses), 1 Jan	45,056,776	51,161,166
Distribution of profit/capital	0	-1,400,000
Retained earnings (losses), 31 Dec	45,056,776	49,761,166
Profit (loss) for the financial period	-17,033,205	-4,704,390
Total unrestricted equity	28,023,571	45,056,776
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>31,231,055</b>	<b>48,264,260</b>

### 14. Liabilities

EUR	2023	2022
<b>INTEREST-BEARING LIABILITIES</b>		
Long-term		
Loans from financial institutions	226,659,351	207,626,354
Short-term		
Loans from financial institutions	33,120,926	9,313,245
	33,120,926	9,313,245
Total interest-bearing liabilities	259,780,277	216,939,599
<b>LONG-TERM LIABILITIES</b>		
Deferred tax liabilities		
Due to appropriations	164,130	230,669
Liabilities with over five years until maturity		
Loans from financial institutions	0	16,422,232
<b>SHORT-TERM LIABILITIES</b>		
Material items of accrued expenses and deferred income		
Related to personnel	832,714	738,052
Interest	1,261,807	271,185
Taxes	76,437	526,967
Other	2,046,853	1,815,832
	4,217,810	3,352,037



## OTHER NOTES

### Related party transactions

There have been no transactions with related parties that deviate from the ordinary course of business.

### Pledged collateral, contingent liabilities and other obligations

EUR	2023	2022
<b>LIABILITIES SECURED BY MORTGAGES ON REAL ESTATE AND PLEDGES</b>		
Loans from financial institutions	259,780,277	216,939,599
Mortgages pledged to secure loans from financial institutions	419,460,000	368,500,000
Bank accounts pledged to secure loans from financial institutions	13,390,213	10,441,435
Bank accounts pledged to secure interest rate hedges	3,235,041	462,072
Fair value of receivables from pledged interest rate hedges	5,741,659	10,351,478
Lease receivables pledged to secure loans from financial institutions	1,998,074	1,090,923
<b>OTHER PLEDGED COLLATERAL</b>		
Pledged mortgages on real estate	1,025,051	2,025,051
<b>GUARANTEES</b>		
Issued on behalf of others		
For a loan from a financial institution	28,113	97,733
<b>LEASE LIABILITIES</b>		

EUR	2023	2022
<b>Outstanding payments on tenancy agreements</b>		
Payable in the next financial period	58,806	613,596
Payable later	99,751	50,087
	<b>158,557</b>	<b>663,683</b>
<b>Value added tax repayment obligation</b>		
VAT repayment obligation on real estate investments	24,961,181	28,611,474
<b>DERIVATIVES</b>		
<b>Electricity forward contracts</b>		
Fair value	-165,431	553,174
Electricity forward contracts are used to hedge the annual electricity consumption against the average procurement power. The physical electricity is procured at the spot price corresponding to the hourly price for the Finland pricing area. The spot price is determined daily, so the procurement would carry risks in the absence of hedging.		
<b>Interest rate swaps</b>		
Nominal value	111,000,000	138,750,000
Fair value (according to bank notification)	5,741,659	9,776,510
Interest rate swaps are used to turn the variable interest rates on loans into fixed rates. On 31 December 2023, 49 per cent of the loan portfolio was hedged. The interest rate swaps will mature in 2026.		
<b>OTHER OBLIGATIONS</b>		
Not all of the terms associated with HYY Real Estates' bank loans were fulfilled on the balance sheet date. The bank syndicate has issued a waiver regarding the terms of the loan.		

## SIGNATURES TO THE FINANCIAL STATEMENTS AND ANNUAL REPORT

Helsinki, 5 March 2024

Mika Heikkilä  
Chair

Tuomas Aho

Jaakko Hietala

Mikko Järveläinen

Timo Kalliokoski

Joonas Pulliainen

Tarja Pääkkönen

Reima Rytsölä

Alexi Tujunen

Erkka Valkila

Leea Tolvas  
CEO

## AUDITOR'S STATEMENT

A statement has been issued today on the performed audit.

Helsinki, 6 March 2024

KPMG Oy Ab

Roland Pettersson  
APA



## AUDITOR'S REPORT

To the Representative Council of the Student Union of the University of Helsinki.

### Report on the audit of the financial statements

#### Opinion

We have audited Ylva's consolidated financial statements for the financial year 1 January–31 December 2023. The financial statements comprise the balance sheet, income statement, cash flow statement and notes.

In our opinion, the financial statements give a true and fair view of the entity's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

#### Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are independent of the entity in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of the Board of Directors and the CEO for the financial statements

The Board of Directors and the CEO are responsible for the preparation of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the CEO are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the CEO are responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the entity or cease operations, or there is no realistic alternative but to do so.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the CEO's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Other Reporting Requirements

### Other Information

The Board of Directors and the CEO are responsible for the other information. The other information comprises the report of the Board of Directors. Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. Our responsibility also includes considering whether the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

If, based on the work we have performed, we conclude that there is a material misstatement of the report of the Board of Directors, we are required to report that fact. We have nothing to report in this regard.

6 March 2024  
KPMG OY AB

Roland Pettersson  
APA



## STATEMENT OF THE SUPERVISORY BOARD

The Supervisory Board has reviewed Ylva's financial statements (the consolidated financial statements, which include the parent entity HYY Real Estates, Ylva Services Ltd, Kiinteistö Oy Kaivokatu 12, Ylva Helsinki Oy, Helsingin Lyyra GP Oy, Kiinteistö Oy Uusi Lyyra, Helsingin Lyyra Ky and Kiinteistö Oy Leppätalo) for 2023 and the auditor's report. The Supervisory Board has not identified any aspects of the reviewed disclosures that would give cause for objections or remarks.

Therefore, the Supervisory Board recommends the adoption of the financial statements and supports the Board of Directors' proposal on the use of profit and the distribution of profit/capital.

In accordance with section 59 of HYY's Administrative Regulations, the Supervisory Board is in favour of granting the discharge to the administration.

Helsinki, 6 March 2024

On behalf of the Supervisory Board

Henna Heino  
Chair of the Supervisory Board

[WWW.YLVA.FI](http://WWW.YLVA.FI)