SELF STORAGE GROUP

Annual Report 2017

Self Storage Group ASA

Contents

History

2017

NOK 100 million private placement towards external investors, acquisition of several additional properties, acquisition of Minilageret AS, initial public offering with placement of additional NOK 200 million and signed agreement to acquire Minilager Norge

2016

Ferncliff invests in OK Minilager, acquisition of City Self-Storage, establishment of Self Storage Group

2014/15

OK Minilager opens its first climate-controlled facility, City Self-Storage divests Polish and Czech portfolio consisting of a total of 5 facilities, additionally to the Spanish portfolio consisting of 8 facilities

2011

OK Minilager opens its first freehold facility

2010

OK Minilager launches online booking with 100 % self-service

2009

OK Minilager established by Fabian and Gustav Søbak

2006

The City Self-Storage expansion continues with the first opening in Poland

2002

2002 The first City Self-Storage sites were opened in Spain and the Czech Republic

1998

Selvaag Group entered into the business and City Self-Storage expanded into Denmark

1993

City Self-Storage established with one site in Norway and a minority stake in the Swedish Safe Mini Lager

Letter from the CEO

2017 was an exciting and eventful year for Self Storage Group. Our dedicated team served and helped a growing number of customers across Scandinavia. We saw a strong growth in new facilities, and a satisfying development in our existing portfolio. We enjoyed a positive trend in both referrals and customer retention, achieved through high customer satisfaction ratings. This is the true test we are facing, and what drives us to get even better with rapid and determined steps.

On the business development side, 2017 was a transformative year as we leaped ahead in executing our strategy of becoming the leading provider of self-storage services in Scandinavia with a strong focus on cost effective operations, competitive rent levels and industry leading customer service.

Leveraging on the acquisition of City Self-Storage in September 2016, we raised new capital from tier-1 investors aiming at consolidating a fragmented industry. Just before the summer of 2017, we announced the acquisition of Minilageret, adding a number of first class facilities to our portfolio under the OK Minilager brand. The City Self-Storage and OK Minilager brands focus on different market segments and provides a strong platform serving customers with different preferences and needs.

There is a large untapped potential for self-storage in Scandinavia as urbanization and smaller living spaces cause increasing need for external storage solutions. To enhance these opportunities, we have established a solid platform for future growth with prime locations, leveraging on a lean and operationally focused organisation to increase margins and targeting additional growth.

The efforts by the team, combined with solid performance and the underlying mega trends, enabled the company to successfully list the shares in Self Storage Group on the Oslo Stock Exchange 27 October, after raising approximately NOK 200 million from over 500 new investors.

Based on the 2017 results and our robust financial platform, we are stepping up our business development initiatives, as we are experiencing a satisfactory demand for our solutions, and are filling up new storage facilities while at the same time achieving attractive rent levels.

We have also identified additional opportunities through already acquired development projects and low-cost expansion within existing facilities. This foundation, a strong macro picture in all Scandinavian countries, combined with a strategy to grow the freehold portfolio in selected markets, gives Self Storage Group a solid platform for future growth and value creation.

I thank our stakeholders for their efforts and dedication in 2017 and look forward to our continued cooperation.

Best regards,

Fabian Søbak

CEO

Highlights 2017

- Self Storage Group ASA (SSG) reported revenues in 2017 of NOK 212.1 million, up from NOK 80.9 million in 2016
- Adjusted EBITDA was NOK 54.2 million, up from NOK 26.0 million in 2016. Adjusted net profit before tax was NOK 73.5 million.
- Average occupancy at the end of 2017 for sites with more that 12 months of operations was 84,1% with an average rent per m2 of 2 337 NOK per year
- The company elected a new Board of Directors and changed the name to Self Storage Group ASA
- Successful completion of Initial Public Offering in October 2017
- Acquisition of Minilageret AS ("Minilageret") and signed an agreement to acquire Minilager Norge group (Minilager Norge)

Subsequent events

- Acquisition of Minilager Norge with 4 300 m2 lettable area
- Acquistion of properties in Halden, Lørenskog, Tromsø, Larvik and Kristiansand with a potential lettable area of 4 800 m2
- Signed agreement to acquire property in Molde with a potential lettable area of 800 m2.
- SSG has at the date of this report a total lettable area of 125 600 m2, including 15 500 m2 lettable area under development.

Key Figures

Summary Adjusted financial and operating result

	2017	2016
(Amounts in NOK million)	YTD	YTD
Revenue	212,1	80,9
Total operating costs [1]	158	54,9
Adjusted EBITDA	54,2	26
Adjusted EBIT	46,9	21,8
Change in fair value of investment properties	29,8	17,8
Adjusted Pre-tax profit	73,5	38,6
Adjusted Net profit	59,7	28,8
Current lettable area (in 1000 m2)	**103,7**	**93,8**
Lettable area under development (in 1000 m2)	12,3	N/A

[1]Adjusted for IPO and non-recurring items of NOK 11.3 million

Alternative performance measures (APMs) are described in the corresponding section in the back of the report

Board of Directors Report

Financial Review

The analysis of the financial development in Self Storage Group is highly affected by the acquisitions of the City Self-Storage companies 28 September 2016 and the acquisition of Minilageret 30 June 2017.

Revenues

The revenues for 2017 was NOK 212.1 million, up from NOK 80.9 million in 2016, following the acquisitions of the City Self-Storage companies and Minilageret. Self Storage Group also had growth in the existing portfolio of rentals in the Norwegian market, due to opening of new sites and expansions during the year.

Property-related expenses

The property related expenses consist of lease expenses, maintenance and other operating costs.

The City Self-Storage segment has mainly leasehold properties (98% leasehold), while OK Minilager has a mix of freehold and leasehold properties (50% freehold).

The property related expenses were NOK 95.0 million, an increase from NOK 33.8 million, following the acquisitions which increased the lease expenses, maintenance and other operating costs.

Salary and other benefits

Salary and other benefits increased to NOK 36.8 million in 2017 (NOK 11.3 million), reflecting the acquisition of City Self-Storage with staffed facilities and new management to support the growth of the Group. NOK 1.8 million is related to an exercise of pre-exisiting shareoptions granted one employee.

Depreciation

The depreciation in 2017 was NOK 7.3 million, and is mainly related to fit-out of facilitates and other equipment.

Other operating expenses

Other operating expenses consists of IT and related costs, sales and advertising, audit and consultancy fees, office and travel costs, in addition to cost of goods sold. Other operating costs in 2017 was NOK 37.5 million (NOK 9.7 million). The operating earnings in 2017 were impacted by transaction costs related to the acquisitions and non-recurring costs related to the IPO. Total non-recurring costs amounted to NOK 11.3 million, resulting in an adjusted EBITDA of NOK 54.2 million in 2017.

Change in fair value of investment property

The fair value of investment property is based on external valuations. The value increase during 2017 was NOK 29.8 million.

Profit before tax

The reported profit before tax was NOK 62.2 million in 2017 (NOK 38.6 million), while the profit for the period ended at NOK 50.2 million. Based on the growth strategy for the company, the board has proposed not to pay dividend for 2017.

Financial position

Total assets were NOK 685.0 million at the end of 2017, compared to NOK 322.4 million at the end of 2016, following the acquisition of investment properties. Investment property has increased by NOK 175.0 million to NOK 338.6 million. Cash and bank deposits have increased by NOK 161.1 million to NOK 195.2 million. The company completed private placements of NOK 100 million in January 2017 and of NOK 200 million in October 2017.

SSG has a loan agreement for new investment properties with Handelsbanken.

SSG invoices the customers in advance. Current liabilities consist of prepaid income in addition to the remaining part of the purchase price to the owner of Minilageret AS (NOK 5.2 million). Total equity was NOK 514.0 million. Thus, the equity ratio was 75%. Net interest-bearing debt was positive with NOK 100.8 million.

Cash flow

SSG has a strong cash flow. Net cash flow from operating activities in 2017 was NOK 42.3 million, compared to NOK 34.9 million in 2016. Net cash flow from investing activities was NOK -123.4 million compared to NOK -192.7 million in 2016, primarily related to the cash consideration in connection with the acquisition of subsidiaries and investment properties, which is in line with the SSG strategy. Net cash flow from financing activities was NOK 241.6 million in 2017, compared to NOK 185.4 million in 2016. Proceeds from issue of equity instruments were NOK 287.4 million. SSG's cash balance at the end of 2017 was NOK 195.2 million.

Financial development in Self Storage Group ASA

Self Storage Group ASA was established in November 2016 and had no operations in 2016. The company merged with Selvaag Self-Storage AS in January 2017. Self Storage Group ASA is the holding company and head office for the Group. Revenue of NOK 12.0 million is related to management fees and accounting services to group companies. Salary and other employee benefits of NOK 12.7 million is related to employees with head office functions. Depreciation of NOK 0.05 million is related to software. Other operating costs consists of IT and related costs, audit and consultancy fees, in addition to office and travel costs. Other operating costs in 2017 was NOK 13.0 million. The operating costs in 2017 were impacted by transaction costs related to the acquisitions and non-recurring costs related to the IPO. Total non-recurring costs amounted to NOK 11.3 million.

Strategy

Self Storage Group engages in the business of renting out self-storage units to both private individuals and business'. The Group is a leading provider of self-storage services with facilities in Norway, Sweden and Denmark. The business model of the Group is to operate self-storage facilities in Scandinavia with a strong focus on cost effective operations, competitive rent levels and industry leading customer service. In order to achieve this, the Group is constantly working to increase the level of automation in all parts of the value chain. The company's vision is to be a leading and preferred self storage provider to individuals and businesses.

Following the acquisition of City Self-Storage in September 2016, the Group is operating under two separate brands: OK Minilager and City Self-Storage. These two brands focus on different market segments and provides a strong platform serving customers with different preferences and needs.

Self Storage Group offers self storage solutions in all Scandinavian countries, with a primary focus on the capital cities Oslo, Stockholm and Copenhagen through CSS, and a nationwide presence in Norway through OK Minilager. All City Self-Storage facilities are climate controlled, while OK Minilager offers both climate controlled and container based storage facilities.

On 30 June 2017, Self Storage Group also added 9 additional climate controlled and self-serviced facilities with a total lettable area of 7 746 m2 to its portfolio through the acquisition of Minilageret AS. As of end December 2017, the company operates a total of 84 facilities with a total lettable area of 103 668 m2. In December 2017 Self Storage Group entered into an agreement with Eats to acquire Minilager Norge AS with four climate controlled facilities with a total lettable area of 4 300 m2. The transaction was closed 13 February 2018.

The strategy is to develop the Group further and to expand the total lettable area by investing in new and preferably owned facilities. Self Storage Group seeks to strengthen its nationwide presence in Norway while at the same time optimising current sites in Denmark and Sweden and search for profitable expansion opportunities. Going forward, new facilities will primarily be established as owned properties to ensure long-term access to attractive locations at a lower running cost. In identifying such properties the company will focus on factors such as location, capex and conversion time. Investment properties are gathered in the 100% owned company OK Property AS, and leased to the operating companies in the group.

Business concepts

Self Storage Group is operating under both the OK Minilager and City Self-Storage brands and will continue to do so as the two concepts target different market segments.

OK Minilager

is a nationwide self-storage concept offered in the Norwegian market and the strategy is to continue to increase its presence in all major regions and communities in Norway. The planned expansion will mainly be composed of owned properties, including a combination of purpose-built facilities and conversion of outdated office buildings, former warehouses, parking garages and retail locations. At the same time OK Minilager will have a strong focus on retaining its position as the most cost-effective player in the Norwegian market by continuously looking for innovative solutions to increase the customer experience and to increase operating efficiency.

City Self-Storage

is the "urban concept", targeting the population in Oslo, Stockholm and Copenhagen. The strategy is to strengthen the market position in Oslo by establishing more sites at attractive locations in the Greater Oslo area, while at the same time continuing the ongoing cost reduction initiatives and optimising the organisation. In the other Scandinavian countries, the goal is to improve operating efficiency at existing facilities through cost reductions, upgrades and increased visibility and market awareness. City Self-Storage will however act opportunistically with regards to potential mergers and acquisitions, both with regards to single facilities and other self storage providers with a complementary portfolio of facilities. As with OK Minilager, the goal for City Self-Storage is to increase the share of owned facilities.

Competitive strengths

Self Storage Group is confident that it has multiple competitive strengths that separates SSG from other self-storage providers. These strengths have enabled the Group to achieve high historical growth and to establish a strong market position in all markets in which it operates.

Through leveraging on these competitive strengths, SSG expects to continue to grow and to confirm its position as one of Scandinavia's leading self-storage providers.

Market leading position

Self Storage Group is one of the leading self-storage providers in Scandinavia with a particularly strong position in the Norwegian market. The company has a high market share, both in the Greater Oslo area and on a countrywide basis. City Self-Storage and OK Minilager are on a stand-alone basis the two largest self-storage providers in the Norwegian market. This position has been built through careful planning and a dedicated focus on selecting the right type of facilities. Self Storage Group entered the Swedish and the Danish market through the acquisition of City Self-Storage and is today the 3. largest self-storage provider in Stockholm and Copenhagen measured by the total number of facilities.

Strong platform for future growth

The combination of a countrywide presence in the early stage Norwegian market and a strong position in the more developed markets in Stockholm and Copenhagen provides a strong foundation for future expansion and growth. The company can act opportunistically with regards to setting up new facilities while leveraging its strong brand recognition, customer base and knowledge in the respective markets.

Industry leading customer service

Self-storage is increasingly becoming an online industry where the majority of the enquiries are channelled through websites and mobile apps. As more and more facilities are becoming self-serviced, customer service is becoming an even more important aspect. Being able to provide a seamless and well integrated user experience by combining easy to use online booking systems with around-the-clock accessible customer service on multiple platforms has become a significant competitive advantage. Self Storage Group has been a pioneer in this area and has constantly been pushing in order to improve the user experience.

The company offers user-friendly online booking solutions and a personal customer service across several formats such as phone, mail, chat and social media. This has been a contributing factor to why both OK Minilager and City Self-Storage have established themselves as some of the leading self storage providers in Scandinavia. However, the company recognise that there is further upside by streamlining the two concepts even further, especially across the different countries.

Track record of rapid and profitable growth

Both OK Minilager and City Self-Storage have displayed solid financial track records with revenues increasing every year since 2009 and continuously improving EBITDA margins. The company has an ambitious growth plan and the management team has demonstrated the ability to handle rapid growth without jeopardizing the profitability. Since being established in 2009, OK Minilager has been able to grow its revenues by a compound annual growth rate of 51.5%.

The goal is to develop the Self Storage Group further and to expand the total lettable area by investing in new and preferably owned facilities. The company seeks to strengthen its nationwide presence in Norway while at the same time optimising current sites in Denmark and Sweden and search for profitable expansion opportunities.

Corporate Development

- The company raised NOK 100 million through a private placement in January 2017.
- On 30 June 2017, Self Storage Group completed the acquisition of Minilageret AS, a company headquartered in Horten with a portfolio consisting of 9 climate controlled and self-serviced facilities located in smaller cities in southern and eastern Norway. Being located mainly in areas where Self Storage Group does not have any presence or limited remaining capacity, all facilities fit very well into the group's existing portfolio. In addition, Minilageret has also adopted a very similar operating model as OK Minilager.
- The acquisition of Minilageret added 13,282 m2 of gross storage space with a current lettable area of 7,746 m2. All Minilageret facilities will be rebranded into OK Minilager sites by the end of 2018.
- At the Extraordinary general meeting 29 September 2017, the following were elected to the Board of Directors: Martin Nes, chairman, Runar Vatne, Gustav Sigmund Søbak, Yvonne Litsheim Sandvold and Caroline Folkeson Jensen. At the Extraordinary general meeting, the company also changed the name from OK Self-Storage Group as to Self Storage Group ASA.
- Successful completion of an Initial Public Offering in October 2017, with 14 285 000 new shares issued at a fixed price of NOK 14, raising NOK 200 million.
- Entered into an agreement with Eats AS (Eats) to acquire the Minilager Norge group (Minilager Norge). Minilager Norge owns and operates four self-storage sites with a total lettable area of 4 300 m2 in Østfold county, Norway. The transaction had an enterprise value of NOK 50 million, of which NOK 25 million were settled by new shares in Self Storage Group.

Corporate social responsibility and sustainability

Self Storage Group was listed in October 2017, leveraging on the acquisitions of Minilageret and City Self-Storage. As the company is integrating the acquired companies, great attention is brought to corporate social responsibility, sustainability and business conducts across different borders and cultures. The company aims at a continued solid corporate culture and to preserve the integrity of the company, by helping employees practise good business standards.

The company has implemented ethical guidelines as a part of the corporate governance framework to maintain a high ethical standard in its business concept and relations with customers, suppliers and employees. Consequently, the continued development and implementation of CSR guidelines, inspired by the Oslo Stock Exchange guidance on the reporting of corporate responsibility, is a prioritised task throughout 2018.

Corporate Governance

The board and management of Self Storage Group are committed to maintaining high ethical standards and promoting good corporate governance. The company believes that good corporate governance builds confidence among shareholders, customers and other stakeholders, and thereby supports maximal value creation over time. The equal treatment of all shareholders lies at the heart of the company's corporate governance policy. The company has only one class of shares, and all shareholders have equal rights. The company's shares are listed and freely transferable. Self Storage Group´s Corporate Governance Report is based on the Norwegian Code of Practice for Corporate Governance dated 30 October 2014, which can be found on pages 19 - 25 of this annual report.

Shareholders and financing

The Self Storage Group shares are listed on the Oslo Stock Exchange under the ticker "SSG." At the end of 2017, the company had 63 695 284 outstanding shares, held by 839 shareholders. The nominal value of the Self Storage Group share is NOK 0.10 per share.

As a result of the development in 2017, and the new share issues completed during the year, the company estimates that it has sufficient working capital for the 12 months following the balance sheet date. In accordance with section 3(3a) of the Norwegian Accounting Act, the Board of Directors, therefore, confirms that the going-concern assumption is met and that the annual accounts have been prepared in accordance with this assumption.

The company has placed considerable emphasis on providing shareholders, and investors in general, with timely and relevant new information about the company and its activities in compliance with applicable laws and regulations.

Self Storage Group is committed to increase awareness of the stock in Norway and abroad. The list of shareholders includes a considerable number of Nordic institutional investors and private investors.

Risks

Self Storage Group is exposed to risk and uncertainty factors, which may affect some or all of the company´s activities. The company has financial risk, market risk, operational risk and risk related to current and future products. The complete range of risk factors is discussed in detail in note 5.

The are no significant changes in the risks and uncertainty factors compared to the descriptions in the October 2017 prospectus.

As set out in the corporate governance guidelines of Self Storage Group, the Board of Directors shall ensure that the company has sound internal control and systems for risk management that are appropriate in relation to the extent and nature of the company's activities. The objective for the company's risk management and internal control is to manage, rather than eliminate, exposure to risks related to the successful conduct of the company's business and to support the quality of its financial reporting.

Effective risk management and good internal control contribute to securing shareholders' investment in the company and the company's assets. The board shall ensure that the company's internal control comprises guidelines, processes, duties, conduct and other matters that:

- Facilitate targeted and effective operational arrangements for the company and also make it possible to manage commercial risk, operational risk, the risk of breaching applicable legislation and regulations as well as all other forms of risk that may be material for achieving the company's commercial objectives
- Contribute to ensuring the quality of internal and external reporting
- Contribute to ensuring that the company operates in accordance with the relevant legislation and regulations as well as with its internal guidelines for its activities, including the company's ethical guidelines and corporate values

The board shall form its own opinion on the company's internal controls, based on the information presented to the board. Reporting by executive management to the board shall be prepared in a format which gives a balanced presentation of all risks of material significance, and of how the internal control system handles these risks. The board shall develop and assess the need for internal control systems which address the organisation and execution of the company's financial reporting. These systems shall be continuously developed in light of the company's growth and situation.

The board shall also focus on the need for developing ethical guidelines ensuring that employees can safely communicate to the board matters related to illegal or unethical conduct by the company. In addition, the board shall ensure that the company has the necessary routines and hired personnel to ensure that any outsourced functions are handled in a satisfactory manner.

Employees and working conditions

At year-end 2017, the company had 84 (75) employees, of which 52 work fulltime. In 2017, the sickness absence in Self Storage Group was less than 1 percent.

The company attempts to maintain a working environment with equal opportunities for all based on qualifications and irrespective of gender, age, sex, ethnicity, sexual orientation, disability, or any other protected status. At year-end 2017, women held 40 percent of the positions in the company. Female employees made up 25 percent of the Management team and 40 percent of the Board of Directors.

The working environment in Self Storage Group is, in the board's view, considered to be satisfactory. The company is committed to maintaining an open and constructive dialogue with the employee representatives.

The company's operations are not considered to have any material impact on the climate and the environment.

Corporate Governance

The company believes that good corporate governance is important to deliver value to its shareholders, and complies with the Norwegian Code of Practice for Corporate Governance issued by the Norwegian Corporate Governance Board.

The company has, in accordance with applicable legislation and stock exchange listing rules, provided a report on the company's corporate governance that is provided in a separate section of the annual report.

Outlook

Self Storage Group is a leading self-storage provider in Scandinavia with two strong brands and concepts; OK Minilager and City Self-Storage. As of the date of this report the Group operates 91 facilites across Scandinavia with a total lettable area of more than 125,600 m2.

There is a large untapped potential for self-storage in Scandinavia as urbanization and smaller living spaces cause increasing need for external storage solutions. To enhance these opportunities, Self Storage Group has established a solid platform for future growth with prime locations in all Scandinavian capitals and nationwide presence in Norway. The company has a proven track-record to develop and operate this attractive portfolio of self-storage facilities, leveraging on a lean and operationally focused organisation to increase margins and targeting additional growth, mainly through Self Storage Group owned properties.

The company has built up and acquired new storage capacity during 2017 and is gradually phasing the new capacity into the market. Self Storage Group is experiencing a satisfactory demand for its solutions, and is quickly filling up new storage facilities while at the same time achieving attractive rent levels.

Self Storage Group has also identified additional opportunities through already acquired development projects and low-cost expansion within existing facilities.

This foundation, a strong macro picture in all Scandinavian countries, combined with a strategy to grow the freehold portfolio in selected markets, gives Self Storage Group a solid platform for future growth and value creation.

Parent company results and distribution of funds

Net profit for the parent company Self Storage Group ASA, was NOK 17.9 million. The Board recommends the following distribution of funds:

(NOK million)	
Dividend	0
Transferred to other equity	**17.9**

Statement by the Board of Directors

Pursuant to the Norwegian Securities Trading Act section § 5-5 with pertaining regulations, we hereby confirm that, to the best of our knowledge, the company's financial statements for 2017 have been prepared in accordance with IFRS, as provided for by the EU, and in accordance with the requirements for additional information provided for by the Norwegian Accounting Act.

To the best of our knowledge, the information presented in the financial statements gives a true and fair picture of the company's assets, liabilities, financial position and results, and that the annual report gives a fair review of the development, results and position of the company, along with a description of the principal risk and uncertainty factors facing the Group.

Self Storage Group ASA

Oslo, April 24th, 2018

sign	sign	sign
Martin Nes Chairman	Runar Vatne Board member	Gustav Sigmund Søbak Board member
sign	sign	sign
Yvonne Litsheim Sandvold Board member	Caroline Folkeson Jensen Board member	Fabian Søbak CEO

Overview facilities as of 31 December 2017

Brand	Country	Facility	Concept	Ownership	Status	Lettable area 31.12.2017
CSS	DK	Albertslund	Minilager	Leasehold	Mature	3 232
CSS	DK	Hvidovre	Minilager	Leasehold	Mature	2 631
CSS	DK	Rugaardsvej	Minilager	Leasehold	Mature	1 386
CSS	DK	Skovlunde	Minilager	Leasehold	Mature	4 528
CSS	DK	Sydvest	Minilager	Leasehold	Mature	2 507
CSS	DK	Østerbro	Minilager	Leasehold	Mature	1 099
CSS	SE	Gärdet	Minilager	Leasehold	Mature	3 321
CSS	SE	Nortull	Minilager	Leasehold	Mature	1 256
CSS	SE	Vasastan	Minilager	Leasehold	Mature	3 030
CSS	SE	Vinsta	Minilager	Leasehold	Mature	3 300
CSS	SE	Västberga	Minilager	Leasehold	Mature	2 790
CSS	SE	Vårby	Minilager	Leasehold	Mature	2 836
CSS	NO	Billingstad	Minilager	Leasehold	Mature	3 482
CSS	NO	Bærum	Minilager	Leasehold	Mature	863
CSS	NO	Colosseum	Minilager	Leasehold	Mature	667
CSS	NO	Drammen	Minilager	Leasehold	Mature	2 589
CSS	NO	Etterstad	Minilager	Freehold	New	205
CSS	NO	Haugenstua	Minilager	Leasehold	Mature	2 865
CSS	NO	Helsfyr	Minilager	Leasehold	Mature	3 441
CSS	NO	Majorstua	Minilager	Leasehold	Mature	956
CSS	NO	Mastemyr	Minilager	Leasehold	Mature	2 385
CSS	NO	Ryen	Minilager	Leasehold	Mature	2 904
CSS	NO	Torshov	Minilager	Leasehold	Mature	2 692
CSS	NO	Vika	Minilager	Leasehold	New	223
CSS	NO	Vøyenenga	Minilager	Freehold	New	246
CSS	NO	Økern	Minilager	Leasehold	Mature	3 196
OKM	NO	Alna Nord	Container	Leasehold	Mature	1 145
OKM	NO	Alna Syd	Container	Leasehold	Mature	794
OKM	NO	Alna Øst	Container	Leasehold	Mature	779
OKM	NO	Arendal	Minlager	Freehold	Mature	486
OKM	NO	Arendal	Minilager	Freehold	Mature	1 044
OKM	NO	Bergen	Container	Leasehold	Mature	714
OKM	NO	Bergen-Laksevåg	Minilager	Freehold	New	377
OKM	NO	Billingstad	Container	Leasehold	Mature	1 797
OKM	NO	Bodø	Container	Leasehold	Mature	412
OKM	NO	Byåsen	Minilager	Freehold	Mature	247
OKM	NO	Forus	Container	Leasehold	Mature	537
OKM	NO	Fredrikstad	Minilager	Freehold	Mature	1 062
OKM	NO	Fredrikstad-Kråkerøy	Container	Leasehold	Mature	371
OKM	NO	Fredrikstad-Rolvsøy	Minilager	Freehold	Mature	1 404
OKM	NO	Furuset	Container	Leasehold	Mature	1 732
OKM	NO	Gjøvik	Minilager	Freehold	Mature	796

Overview facilities as of 31 December 2017

Brand	Country	Facility	Concept	Ownership	Status	Lettable area 31.12.2017
OKM	NO	Grünerløkka	Minilager	Leasehold	Mature	177
OKM	NO	Hamar	Minilager	Freehold	Mature	1 044
OKM	NO	Haugesund - Norheim	Minilager	Freehold	Mature	1 476
OKM	NO	Heggedal	Container	Leasehold	Mature	97
OKM	NO	Horten	Minilager	Leasehold	Mature	423
OKM	NO	Hønefoss	Container	Leasehold	Mature	948
OKM	NO	Jessheim	Container	Leasehold	Mature	690
OKM	NO	Klemetsrud	Container	Leasehold	Mature	850
OKM	NO	Kløfta	Minilager	Freehold	Mature	396
OKM	NO	Kongsvinger	Minilager	Freehold	Mature	504
OKM	NO	Kongsvinger	Container	Freehold	Mature	343
OKM	NO	Kristiansand	Minilager	Freehold	Mature	600
OKM	NO	Kristiansand	Container	Leasehold	Mature	618
OKM	NO	Kristiansand - Vest	Minilager	Freehold	Mature	635
OKM	NO	Kristiansund	Container	Leasehold	Mature	330
OKM	NO	Larvik	Minilager	Freehold	Mature	1 044
OKM	NO	Lillestrøm-Nesa	Container	Leasehold	Mature	921
OKM	NO	Lillestrøm-Tuen	Container	Leasehold	Mature	724
OKM	NO	Moss	Container	Freehold	Mature	2 030
OKM	NO	Nesbru	Minilager	Leasehold	Mature	687
OKM	NO	Re	Minilager	Freehold	Mature	1 044
OKM	NO	Robsrud	Minilager	Leasehold	Mature	532
OKM	NO	Røa	Minilager	Leasehold	Mature	381
OKM	NO	Sandefjord	Minilager	Freehold	Mature	2 034
OKM	NO	Sandnes	Minilager	Freehold	New	407
OKM	NO	Sandvika	Container	Leasehold	Mature	694
OKM	NO	Sarpsborg	Container	Freehold	Mature	1 098
OKM	NO	Skien	Minilager	Freehold	Mature	455
OKM	NO	Skien	Minilager	Freehold	Mature	1 068
OKM	NO	Stavanger - Tasta	Minilager	Freehold	New	498
OKM	NO	Stavanger - Paradis	Container	Leasehold	Mature	1 620
OKM	NO	Stavanger-Sentrum	Minilager	Freehold	Mature	623
OKM	NO	Storo	Container	Leasehold	Mature	317
OKM	NO	Sydhavna	Minilager	Leasehold	Mature	321
OKM	NO	Trondheim - Heimdal	Container	Leasehold	Mature	727
OKM	NO	Trondheim - Lade	Container	Leasehold	Mature	1 083
OKM	NO	Tveita	Minilager	Freehold	Mature	264
OKM	NO	Ullern	Minilager	Leasehold	Mature	1 150
OKM	NO	Vakås	Container	Leasehold	Mature	345
OKM	NO	Økern	Container	Leasehold	Mature	1 196
OKM	NO	Ålesund	Container	Leasehold	Mature	701
OKM	NO	Ålesund-Sentrum	Minilager	Freehold	New	245
						103 667

Management

Fabian Emil Søbak

CEO

Mr. Søbak co-founded OK Minilager AS together with his father, Gustav Søbak, in 2009. Since then he has held the position as Chief Executive Officer, and following the acquisition of City Self-Storage in 2016, he has served as the Chief Executive officer of the combined company. Mr. Søbak is a Norwegian citizen and resides in Oslo.

Isak Larsson

General Manager CSS

Mr. Larsson has held the position as country manager for Norway and Sweden since 2011. He also became country manager for Denmark in 2017. He has 11 years of experience from the self storage industry. Mr. Larsson holds a Bachelor degree in Industrial Marketing from Högskolan in Kristianstad, Sweden. Mr. Larsson is a Swedish citizen, and resides in Oslo.

Cecilie Brænd Hekneby

CFO

Mrs. Hekneby joined City Self-Storage in 2015 and has following the acquisition of City Self-Storage held the position as Chief Financial Officer for the Group. Prior to this, she held the positions as Group Controller in Color Line and Project Manager and Financial Controller in Posten Norge. Mrs. Hekneby holds a Master degree from Norwegian School of Economics and Business Administration (NHH). Mrs. Hekneby is a Norwegian citizen and resides in Oslo.

Lauras Melnikas

Growth Manager

Mr. Melnikas joined OK Minilager as Operations Manager in 2011 and has held the position as Growth Manager since 2017. Prior to that he worked as a Project Manager in the Lithuanian Renewable Energy Association (LAIEA), was a co-founder and Operations Manager of fast-food company MaMaMa and furniture manufacturing site Pratum in Lithuania. Mr. Melnikas holds a BSc in Management and Finance from ISM University of Management and Economics. Mr. Melnikas is a Lithuanian citizen, and resides in Oslo.

Board of Directors

Martin Nes

Chairman

Martin Nes is CEO in Ferncliff. He took a law degree at the University of Oslo, and also holds a Master of Laws degree from University of Southampton, England. He previously spent several years with the Norwegian law firm Wikborg Rein, working in both the Oslo and London offices, and with the law firm Evensen & Co. Mr Nes has extensive corporate experience and is/has been chairman and/or a member of the boards of several listed companies, including SD Standard Drilling Plc, Aqualis ASA, Nickel Mountain Group AB, Saga Tankers ASA, NEL ASA and Weifa ASA. He is a Norwegian citizen, and resides in Norway.

Yvonne Litsheim Sandvold

Board Member

Ms. Sandvold is the Chief Operating Officer of Sandvoldgruppen AS, a family office investing in real estate, financial assets and fashion business. She is the principal and owner of YLS Næringseiendom. She has extensive experience from the Norwegian real estate industry. Ms Sandvold currently serves on the Board of Directors of several companies listed on OSE, as well as several private companies. She holds a degree in psychology from the University of Oslo. Ms Sandvold is a Norwegian citizen and resides in Norway.

Gustav Søbak

Board Member

Mr. Søbak has held the position as Chief Operating Officer for the group since the acquisition of City Self-Storage in 2016. Mr. Søbak has more than 30 years of experience in the real estate sector. Before he cofounded OK Minilager he built up a parking company which he eventually sold to a Norwegian subsidiary of Apcoa. Mr. Søbak is a Norwegian citizen and resides in Oslo.

Runar Vatne

Board Member

Mr. Vatne is the principal and owner of Vatne Capital, a family office investing in financial assets and real estate. He is also a Partner and responsible for transactions in Søylen Eiendom, a leading Oslo based real estate company which he co-founded in 2004. Before Søylen Eiendom, Mr. Vatne was a broker in Pareto Securities. Mr. Vatne is a Norwegian citizen and resides in Oslo.

Caroline Folkeson Jensen

Board Member

Ms. Jensen is part of the corporate finance team in Carnegie Investment Bank. Prior experience include business development in Saga Tankers ASA in the period 2015-2018 and corporate finance in Carnegie in the period 2009-2015. She holds a M.Sc. in Financial Economics from the Norwegian School of Economics and Business Administration (NHH). Ms. Jensen is a Norwegian citizen and resides in Oslo, Norway.

Corporate Governance

The Board of Directors of Self Storage Group has adapted the company´s corporate governance policy document. This policy addresses the framework of guidelines and principles regulating the interaction between the company's shareholders, the Board of Directors, the Chief Executive Officer (the "CEO") and the Company's executive management team.

1. Reporting on corporate governance

The policy is based on the Norwegian Code of Practice for Corporate Governance issued by the Norwegian Corporate Governance Board. The company will in accordance with applicable legislation and stock exchange listing rules provide a report on the company's corporate governance in the directors' report or in a document that is referred to in the directors' report.

Non-conformance with the recommendation: None

2. Business activity

The company's business as set out in the Articles of Association is to offer self-storage facilities, including investments in real estates and companies with similar activities.

The company's long term objective is to be the preferred self-storage provider in Scandinavia and generate profitability and return to its shareholders.

The company will pursue the following main strategies to reach its overall objective:

- Customer satisfaction
- Digitalisation
- Automation
- Cost leadership

The company has formulated the following main values to form a guideline for the company's business operations:

- Service
- Respect
- Responsibility
- Competitive
- Innovation

Ethical guidelines

The company will maintain a high ethical standard in its business concept and relations with customers, suppliers and employees. The following ethical guidelines shall be practiced in the company, and shall apply to all employees of the company:

- Personal conduct: All employees and representatives of the company shall behave with respect and integrity towards business relations and partners, customers and colleagues. The executive management team has a particular responsibility to promote openness, loyalty and respect.
- Conflict of Interests: The company's employees or representatives shall avoid situations wherein a conflict between their own personal and/or financial interests and the company's interests may occur.
- Confidential Information: Employees or representatives of the company possessing confidential information related to the company, shall conduct themselves and safeguard such information with great care and loyalty, and comply with any and all signed confidentiality statements.
- Influence: The company's employees or representatives shall neither directly nor indirectly offer, promise, request, demand or accept illegal or unjust gifts of money or any other remuneration in order to achieve a commercial benefit.
- Competition: The company supports fair and open competition. The company's employees or representatives shall never take part in any activities that may constitute a breach of competition legislation.
- Breach of Ethical Guidelines: Any breach of these ethical guidelines may inflict severe consequences for the company, and any breach may imply consequences for the person in question.

Non-conformance with the recommendation: None

3. Company capital and dividend

The board aims to maintain a satisfactory equity ratio in the company in light of the company's goals, strategy and risk profile, thereby ensuring that there is an appropriate balance between equity and other sources of financing. The board shall continuously assess the company's capital requirements in light of the company's strategy and risk profile.

There is only one class of shares in the company and all shares carry equal rights. The company shall emphasise equal treatment of its shareholders.

Non-conformance with the recommendation: None

4. Transactions with related parties

Any transactions, agreements or arrangements between the company and its shareholders, members of the board, members of the executive management team or close associates of any such parties shall only be entered into as part of the ordinary course of business and on arms length market terms. All such transactions shall comply with the procedures set out in the Norwegian Public Limited Liability Companies Act. The board shall arrange for a valuation to be obtained from an independent third party unless the transaction, agreement or arrangement in question must be considered to be immaterial. The company's financial statements shall provide further information about transactions with related parties.

Board members and members of the executive management team shall immediately notify the board if they have any material direct or indirect interest in any transaction entered into by the company.

See also note 28.

Non-conformance with the recommendation: None

5. Transfer of shares

The shares in the company shall be freely transferable.

Non-conformance with the recommendation: None

6. The General Meeting

All shareholders have the right to participate in the General Meetings of the company, which exercise the highest authority of the company. The Annual General Meeting shall normally be held before 31 May every year.

The full notice for General Meetings shall be sent to the shareholders no later than 21 days prior to the meeting. The notices for such meetings shall include documents providing the shareholders with sufficient detail in order for the shareholders to make an assessment of all the cases to be considered as well as all relevant information regarding procedures of attendance and voting. The annual report will be made available on the Group's website. The board and the company's auditor shall be present at General Meetings.

Notices for General Meeting shall provide information on the procedures shareholders must observe in order to participate in and vote at the General Meeting. The notice should also set out: (i) the procedure for representation at the meeting through a proxy, including a form to appoint a proxy, and (ii) the right for shareholders to propose resolutions in respect of matters to be dealt with by the General Meeting.

The cut-off for confirmation of attendance shall be set as short as practically possible and the board will arrange matters so that shareholders who are unable to attend in person, will be able to vote by proxy. The form of proxy will be distributed with the notice.

Non-conformance with the recommendation: None

7. Nomination committee

The company has a Nomination Committee as set out in the Articles of Association. The members of the Nomination Committee should be selected to take into account the interests of shareholders in general. The majority of the Nomination Committee should be independent of the board and the executive management team. Members of the executive management team should not be members of the Nomination Committee. Instructions for the Nomination Committee shall be approved by the Company's General Meeting.

The nomination committee currently consists of the following two members: Lars Christian Stugaard (chairperson) and Henrik Krefting. The current members have been elected by the general meeting with a term until the company's ordinary general meeting in 2018. All members are independent of the board of directors and senior management.

The company shall have an audit committee in accordance with the rules of the Norwegian Public Limited Liability Companies Act and the listing rules of the Oslo Stock Exchange.

Non-conformance with the recommendation: None

8. Composition and independence of the Board of Directors

In appointing members to the board, it is emphasised that the board shall have the requisite competency to independently evaluate the cases presented by the executive management team as well as the company's operation. It is also considered important that the board can function well as a body of colleagues. Board members shall be elected for periods not exceeding two years at a time, with the possibility of re-election. Board members shall be encouraged to own shares in the company.

The board shall comply with all applicable requirements as set out in the Norwegian Public Limited Liability Companies, Act, the listing rules of Oslo Stock Exchange and the recommendations set out in the Norwegian Code of Practice for Corporate Governance.

At the Extraordinary General Meeting 29 September 2017, the following were elected to the Board of Directors: Martin Nes, chairman, Runar Vatne, Gustav Sigmund Søbak, Yvonne Litsheim Sandvold and Caroline Folkeson Jensen. At the Extraordinary General Meeting, the company also changed the name from OK Self-Storage Group AS to Self Storage Group ASA

The company does not have a corporate assembly.

Non-conformance with the recommendation: None

9. Responsibility of the Board of Directors

The board shall prepare an annual plan for its work with special emphasis on goals, strategy and implementation. The board's primary responsibility shall be (i) participating in the development and approval of the company's strategy, (ii) performing necessary monitoring functions and (iii) acting as an advisory body for the executive management team. Its duties are not static, and the focus will depend on the company's ongoing needs. The board is also responsible for ensuring that the operations of the company are in compliance with the company's values and ethical guidelines. The chair of the board shall be responsible for ensuring that the board's work is performed in an effective and correct manner.

The board shall ensure that the company has a good management with clear internal distribution of responsibilities and duties. A clear division of work has been established between the board and the executive management team. The CEO is responsible for the executive management of the company.

All members of the board shall regularly receive information about the company's operational and financial development. The company's strategies shall regularly be subject to review and evaluation by the board.

The Board shall prepare an annual evaluation of its work.

Non-conformance with the recommendation: None

10. Risk management and internal control

The board shall ensure that the company has sound internal control and systems for risk management that are appropriate in relation to the extent and nature of the company's activities. The internal control and the systems shall also encompass the company's corporate values and ethical guidelines. The objective of the risk management and internal control shall be to manage exposure to risks in order to ensure successful conduct of the company's business and to support the quality of its financial reporting.

The board shall carry out an annual review of the company's most important areas of exposure to risk and its internal control arrangements.

The board shall provide an account in the annual report of the main features of the company's internal control and risk management systems as they relate to the company's financial reporting.

Non-conformance with the recommendation: None

11. Board remuneration

The General Meeting shall annually determine the board's remuneration. Remuneration of board members shall be reasonable and based on the board's responsibilities, work, time invested and the complexity of the enterprise. The board shall be informed if individual board members perform other tasks for the company than exercising their role as board members. Work in sub-committees may be compensated in addition to the remuneration received for board membership.

The company's financial statements shall provide information regarding the board's remuneration.

Non-conformance with the recommendation: None

12. Remuneration to the management

The board decides the salary and other compensation to the CEO within any legal boundaries set out in the annual statement on compensation to the CEO and executive management as approved by the company's General Meeting. The CEO's salary and bonus shall be competitive and otherwise on market terms for similar companies. Any fringe benefits shall be in line with market practice, and should not be substantial in relation to the CEO's basic salary. The board shall annually carry out an assessment of the salary and other remuneration to the CEO.

The company's financial statements shall provide further information about salary and other compensation to the CEO and the executive management team.

The CEO determines the remuneration of executive employees. The board shall (based on input from the Remuneration Committee) issue guidelines for the remuneration of the executive management team for approval by the General Meeting. The guidelines shall lay down the main principles for the company's management remuneration policy. The salary level should not be of a size that could harm the company's reputation, or above the norm in comparable companies. The salary level should, however, ensure that the company can attract and retain executive employees with the desired expertise and experience.

The Board of Directors has established guidelines for remuneration of the key employees of the company, and the guidelines will be presented to the annual general meeting in 2018. The remuneration guidelines are included in note 10 to the annual accounts.

Non-conformance with the recommendation: None

13. Information and communication

The board and the executive management team assign considerable importance to giving the shareholders quick, relevant and current information about the company and its activity areas. Emphasis is placed on ensuring that the shareholders receive identical and simultaneous information.

Sensitive information will be handled internally in a manner that minimises the risk of leaks. All contracts to which the company becomes a party, shall contain confidentiality clauses.

The company shall have clear routines for who is allowed to speak on behalf of the company on different subjects, and who shall be responsible for submitting information to the market and investor community. The CEO and CFO shall be the main contact persons of the company in such respects.

The board should ensure that the shareholders are given the opportunity to make known their points of view at and outside the General Meeting.

Non-conformance with the recommendation: None

14. Take-over situations

In a take-over process, the board and the executive management team each have an individual responsibility to ensure that the company's shareholders are treated equally and that there are no unnecessary interruptions to the company's business activities. The board has a particular responsibility in ensuring that the shareholders have sufficient information and time to assess the offer.

In the event of a take-over process, the board shall ensure that:

- the board will not seek to hinder or obstruct any takeover bid for the company's operations or shares unless there are particular reasons for doing so;
- the board shall not undertake any actions intended to give shareholders or others an unreasonable advantage at the expense of other shareholders or the company;
- the board shall not institute measures with the intention of protecting the personal interests of its members at the expense of the interests of the shareholders; and
- the board must be aware of the particular duty it has for ensuring that the values and interests of the shareholders are protected.

In the event of a take-over bid, the board will, in addition to complying with relevant legislation and regulations, seek to comply with the recommendations in the Norwegian Code of Practice for Corporate Governance. This includes obtaining a valuation from an independent expert. On this basis, the board will make a recommendation as to whether or not the shareholders should accept the bid.

Non-conformance with the recommendation: None

15. Auditor

The company´s auditor is EY.

Each year the auditor shall present to the board a plan for the implementation of the audit work and a written confirmation that the auditor satisfies established requirements as to independence and objectivity.

The auditor shall be present at board meetings where the annual accounts are on the agenda. Whenever necessary, the board shall meet with the auditor to review the auditor’s view on the company's accounting principles, risk areas, internal control routines etc.

The auditor may only be used as a financial advisor to the company provided that such use of the auditor does not have the ability to affect or question the auditors’ independence and objectiveness as auditor for the company. Only the company’s CEO and/or CFO shall have the authority to enter into agreements in respect of such counselling assignments.

At the Annual General Meeting the board shall present a review of the auditor’s compensation as paid for auditory work required by law and remuneration associated with other concrete assignments.

In connection with the auditor's presentation to the board of the annual work plan, the board should specifically consider if the auditor to a satisfactory degree also carries out a control function.

The board shall arrange for the auditor to attend all General Meetings.

Non-conformance with the recommendation: None

Consolidated financial statements

Consolidated statement of total comprehensive income

(Amounts in NOK 1 000)

	Note	For the year ended 31 December 2017	For the year ended 31 December 2016
Revenue	7,8	212 143	80 877
Property-related expenses	26	94 994	33 829
Salary and other employee benefits	10	36 747	11 340
Depreciation	14, 15	7 261	4 224
Other operating expenses	7, 11, 28	37 464	9 687
Operating profit before fair value adjustments		**35 677**	**21 797**
Change in fair value of investment properties	9	29 831	17 832
Operating profit after fair value adjustments		**65 508**	**39 629**
Finance income	12	1 333	233
Finance expense	12	4 626	1 247
Profit before tax		**62 215**	**38 615**
Income tax expense	13	11 996	9 785
Profit for the period		**50 219**	**28 830**
Total comprehensive income for the year attributable to parent company shareholders		50 219	28 830
Total comprehensive income for the year attributable to non-controlling interests		-	-
Earnings per share			
Basic (NOK)	21	0,99	1,24
Diluted (NOK)	21	0,98	1,24
Other comprehensive income, net of income tax			
Items that may be reclassified subsequently to profit or loss			
- currency translation difference		477	-114
Other comprehensive income for the period, net of income tax		**477**	**-114**
Total comprehensive income for the period		**50 696**	**28 716**
Total comprehensive income for the year attributable to parent company shareholders		50 696	28 716
Total comprehensive income for the year attributable to non-controlling interests		-	-

Consolidated statement of financial position

(Amounts in NOK 1 000)

	Note	31 December	31 December
ASSETS		**2017**	**2016**
Non-current assets			
Investment property	9, 24	338 631	163 738
Property, plant and equipment	14, 24	52 125	45 236
Goodwill	15	72 272	51 985
Other intangible assets	15	493	55
Total non-current assets		**463 521**	**261 014**
Current assets			
Inventories	17	1 434	1 623
Trade and other receivables	18, 24	11 455	10 577
Other current assets		13 397	15 078
Cash and bank deposits	19	195 224	34 115
Total current assets		**221 510**	**61 393**
TOTAL ASSETS		**685 031**	**322 407**
EQUITY AND LIABILITIES			
Equity			
Issued share capital	20	6 369	395
Share premium		396 416	89 863
Other reserves		363	-114
Retained earnings		110 809	64 903
Total equity		**513 957**	**155 047**
Liabilities			
Non-current liabilities			
Long-term interest-bearing debt	23	89 690	23 179
Deferred tax liabilities	13	22 289	4 383
Obligations under finance leases	25	214	526
Total non-current liabilities		**112 193**	**28 088**
Current liabilities			
Short-term interest-bearing debt	23, 28	4 750	86 169
Trade and other payables		10 282	8 743
Income tax payable	13	1 699	8 171
Other taxes and withholdings		4 789	3 912
Obligations under finance leases	25	312	384
Other current liabilities	27, 28	37 049	31 893
Total current liabilities		**58 881**	**139 272**
Total liabilities		**171 074**	**167 360**
TOTAL EQUITY AND LIABILITIES		**685 031**	**322 407**

Self Storage Group ASA

Oslo, April 24th, 2018

sign	sign	sign
Martin Nes Chairman	Runar Vatne Board member	Gustav Sigmund Søbak Board member
sign	sign	sign
Yvonne Litsheim Sandvold Board member	Caroline Folkeson Jensen Board member	Fabian Søbak CEO

Consolidated statement of cash flows

(Amounts in NOK 1 000)	Note	For the year ended 31 December 2017	For the year ended 31 December 2016
Cash flows from operating activities			
Profit before tax		62 215	38 615
Income tax paid		-8 170	-2 748
Interest not paid		626	663
Interest not received		-384	-
Depreciation	14, 15	7 261	4 224
Gain/loss on disposal of property, plant and equipment		148	-
Change in fair value of investment property	9	-29 831	-17 832
Change in trade and other receivables		-733	-390
Change in trade and other payables		1 466	4 615
Change in other current assets		5 047	6 279
Change in other current liabilities		4 623	1 484
Net cash flows from operating activities		**42 268**	**34 910**
Cash flows from investing activities			
Payments for investment property		-42 163	-52 813
Payments for property, plant and equipment		-11 471	-2 972
Proceeds from disposal of property, plant and equipment		-	561
Net cash outflow on acquisition of subsidiaries		-69 760	-137 482
Net cash flows from investing activities		**-123 393**	**-192 706**
Cash flows from financing activities			
Proceeds from issue of equity instruments of the Company		287 416	90 000
Proceeds from borrowings	23	95 000	128 291
Repayment of borrowings	23	-140 840	-32 904
Net cash flows from financing activities		**241 576**	**185 387**
Net change in cash and cash equivalents		160 450	27 591
Cash and cash equivalents at beginning of the period		34 115	6 661
Effect of foreign currency rate changes on cash and cash equivalents		659	-137
Cash and equivalents at end of period	**19**	**195 224**	**34 115**

Condensed consolidated statement of Changes in Equity

(Amounts in NOK 1 000)	Note	Issued Share capital	Share premium	Currency translation reserve	Retained earnings	Total equity
Balance at 1 January 2016		**227**	**30**		**35 879**	**36 136**
Profit (loss) for the period					28 830	28 830
Other comprehensive income (loss) for the period net of income tax				-114		-114
Total comprehensive income for the period				-114	28 830	28 716
Issue of ordinary shares		168	89 833			90 001
Effect change in tax rates					194	194
Balance at 31 December 2016		**395**	**89 863**	**-114**	**64 903**	**155 047**
Balance at 1 January 2017		**395**	**89 863**	**-114**	**64 903**	**155 047**
Profit (loss) for the period					50 219	50 219
Other comprehensive income (loss) for the period net of income tax				477		477
Total comprehensive income for the period				477	50 219	50 696
Issuance of ordinary shares	20,21	1 661	318 972			320 633
Issue of share capital - transfer from retained earnings	20,21	4 313			-4 313	-
Share issue costs			-12 419			
Balance at 31 December 2017		**6 369**	**396 416**	**363**	**110 809**	**526 376**

Notes to the consolidated financial statements

Note 1 General information

Self Storage Group ASA ("the Company") is a public listed Company incorporated and domiciled in Norway. The address of the registered office is Nedre Skøyen vei 24, 0276 Oslo.

Self Storage Group ASA is the parent company of the Self Storage Group. The Group provides self-storage facilities to customers throughout Norway, Sweden and Denmark.

These consolidated financial statements, which are the first consolidated financial statements prepared by the Group, were approved for issue by the Board of Directors on 24 April 2018. Some minor rounding differences may occur, entailing that the total may deviate from the total of the individual amounts. This is due to the rounding to whole thousands of individual amounts.

Note 2 Significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied in all periods presented. Amounts are in thousands of Norwegian kroner (NOK) unless stated otherwise. The functional currency of the parent company is NOK, which is also the presentation currency of the Group.

Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The consolidated financial statements have been prepared on the historical cost basis except for investment property, which is measured at fair value with changes recognised in profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgements in applying the Group's accounting policies. Areas involving a high degree of judgment or complexity, and areas in which assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

Principles of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company. Control is achieved when the Group has power over the investee, is exposed, or has rights to, variable returns from its involvement with the investee, and has the ability to use its power to affect its returns. The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Business combinations

Business combinations are accounted for using the acquisition method. The consideration transferred and all the identifiable assets and liabilities of an acquired business are measured at fair values at the date of acquisition. Acquisition-related costs are generally recognised in profit or loss as incurred. Goodwill is measured at the amount by which the total consideration transferred exceeds the net fair value of assets acquired. Goodwill is not amortized, but its value is tested for impairment at least annually, or more frequently when there is an indication that the cash-generating unit to which goodwill has been allocated, may be impaired. Goodwill is allocated to each of the Group’s cash-generating units (or groups of cash generating units) that is expected to benefit from the synergies of the combination. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Revenue recognition

Revenue is measured at the fair value of the considerations received or receivable. Revenue is reduced for rebates and other similar allowances.

- Self-storage revenue: Self-storage services are provided on a time basis. The price at which customers store their goods is dependent on size of unit and storage facility location. Customers are either automatically charged in advance on a monthly basis (credit card payments) or invoiced on a monthly basis.
- Retail sales: The Group operates a packaging shop and an online store for selling storage ancillary goods such as boxes, tape and bubble-wrap. Sales are recognised at point of sale when the product is delivered to a customer.
- Insurance: Customers may choose to insure their goods in storage, either through City Self Storage (CSS) or their own insurance. CSS acts as an agent and the customers are invoiced on a monthly basis. Insurance is not offered as a product to customers in the OK Minilager segment.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and the rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are initially recognized as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on borrowing costs.

Operating lease payments are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from a change in the fair value of investment properties are included in profit or loss in the period in which they arise. Expenditures such as ongoing maintenance, are expensed, while other expenses that are expected to generate future economic benefits are capitalized.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period during which the property is derecognized.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the closing rate of exchange confirmed by the Central Bank of Norway in effect at the reporting date.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign subsidiaries are translated into NOK using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising are recognised in other comprehensive income and accumulated in equity.

Current and deferred tax

Income tax expense represents the sum of taxes currently payable and deferred tax.

Current tax payable is based on taxable profit for the year. Taxable profit differs from "profit before tax" as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred taxes are recognized based on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognized for taxable temporary differences and deferred tax assets arising from deductible temporary differences are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Currently, no deferred tax asset has been recognized in the consolidated financial statements of the Group.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arise from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses (see impairment of assets below). Acquisition cost includes expenditures that are directly attributable to the acquisition of the individual item.

Depreciation is calculated on a straight-line basis in order to write down the cost of the tangible assets to their residual values over their expected useful lives. If significant individual parts of the assets have different useful lives, they are recognized and depreciated separately. Depreciation commences when the assets are ready for their intended use. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Assets that are subject to depreciation or amortization are tested for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. Goodwill is tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

An impairment loss is recognized if the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. For the purposes of impairment testing, assets are grouped at the lowest levels for which there are separately identifiable cash inflows (cash-generating units). An impairment loss is recognized immediately in profit or loss, reducing the carrying value to the recoverable amount.

Non-financial assets (or cash generating units) other than goodwill that have suffered impairment charges are reviewed for possible reversal of the impairment at each reporting date. A reversal is recognized immediately in profit or loss and increases the carrying amount of the asset to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash-generating unit in prior years.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in-first-out (FIFO) basis. Net realisable value represents the estimated selling price for inventories less all costs necessary to make the sale. Appropriate impairment losses have been recognized for obsolescence.

Cash and cash equivalents

Cash and short-term deposits in the balance sheet comprise cash at bank and other short-term highly liquid investments with original maturities of three months or less.

Employee options

The fair value of options granted under the share option plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Interest-bearing borrowings

Interest-bearing bank loans and overdraft are initially recorded at fair value, net of directly attributable transaction costs. Finance charges, including premium payable on settlement or redemption and direct issue costs, are accounted for on an accrual basis in the income statement using the effective interest method and are included within the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Financial assets

The Group's financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets are added to the fair value of the asset. The assets are subsequently measured at amortized cost using the effective interest method, less any impairment losses. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership to another party.

The Group's financial assets are classified as "loans and other receivables" and consist of "trade and other receivables" and "cash and cash equivalents". Management determines the classification of its financial assets at initial recognition, and the classification of financial assets depends on the nature and purpose of the financial assets.

Financial assets are assessed for indicators of impairment at the end of the reporting period and are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Financial liabilities and equity instruments

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group are recognized at the proceeds received, net of any issue costs. Transaction costs directly attributable to the issue of equity are recognized directly in equity, net of tax.

Financial liabilities

The Group's financial liabilities are classified as "other financial liabilities" and consist of "debt to financial institutions" and "trade and other payables". These financial liabilities are initially recognised at fair value and subsequently measured at amortized cost using the effective interest method.

Statement of cash flows

The statement of cash flows is prepared using the indirect method. This means that the statement is based on the Group's profit before tax in order to present cash flows from operating, investing and financing activities respectively. Cash payment made in acquiring subsidiaries less the cash acquired as part of the transactions is reported under Cash flows from investing activities.

Earnings per share

Earnings per share are calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is calculated as profit or loss attributable to ordinary shareholders of the Group, adjusted for the effects of all potential dilutive options.

Note 3 Adoption of new and revised International Financial Reporting Standards (IFRSs)

Standards and Interpretations affecting amounts reported in the current period

All relevant new and revised IFRSs and IFRIC interpretations that are mandatory for periods commencing 1 January 2017 and earlier have been adopted for all periods presented in these consolidated financial statements.

Standards and Interpretations in issue but not yet adopted

The standards and interpretations which have been issued, but are not yet effective, up to the date of issuance of the Group's financial statements, and which are considered to have an effect on the Group, are disclosed below.

New standards and amendments which are not yet effective and which are not considered to have an impact on the Group are not disclosed. The Group intends to adopt these standards, if applicable, when they become effective.

IFRS 9 Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments, which reflects all phases of the financial instruments project and replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9.

The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018.

The new standard has been reviewed and it has been concluded that the financial impact is immaterial.

IFRS 15 Revenue from contracts with customers

IFRS 15 was issued in May 2014 and establishes a new five-step model that will apply to revenue arising from contracts with customers.

Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The principles in IFRS 15 provide a more structured approach to measuring and recognising revenue. The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under IFRS.

Either full or modified retrospective application is required for annual periods beginning on or after 1 January 2018. A review of the different types of revenue have been performed to assess the impact of the new standard. The conclusion is that the new standard will not have any effect on the way SSG today recognise revenue related to the three types of revenue; 1) Self-storage revenue, 2) Retail sales, and 3) Insurance.

Based on the assessment it has been concluded that the new standard will not impact revenue recognition, nor disclosures.

IFRS 16 Leases

IASB has issued IFRS 16 ´Leases´, with effective date 1 January 2019. IFRS 16 is part of the convergence project with FASB to replace IAS 17. The standard requires to recognise assets and liabilities for most leases.

The Group has not yet decided whether to use full retrospective or modified retrospective application.

The Group has made preliminary assessment of the impact of the standard and evaluated that the implementation of the standard is likely to result in capitalisation of the majority of the Group´s operational lease contracts.

The calculation of the effect has been done on lease contracts of property as they are deemed the most significant. This will result in;

- an increase in properties and financial liabilities of NOK 450-480 million
- a net effect in the income statement of NOK 0-3 million as additional costs, as an result of a decrease in external expenses of NOK 68-75 million, offset by increases in depreciations at NOK 60-65 million and financial expenses of NOK 10-12 million

Amendments to IAS 7 Statement of Cash Flows

The amendments require entities to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses). The Group has provided the information for both the current and the comparative period in Note 23.

Note 4 Critical accounting judgements and key sources of estimation uncertainty

Critical accounting estimates and judgements

In the application of the Group's accounting policies, as described in note 2, management is required to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities. Estimates and judgements are evaluated on an on-going basis and are based on historical experience and other factors, including expectations of future events that are considered to be relevant.

Investment properties

Investment property is owned with the aim of achieving a long-term return from rental income and increase in value. Investment property is recognised at fair value, based on market values identified by independent valuers. Gains or losses as a result of changes in the market value of investment properties are recognised in profit or loss as they arise, and are presented on a separate line "Change in value of investment properties".

Initial measurement also takes into consideration the property's cost price, which includes direct transaction costs such as document duty and other public duties, legal fees and due diligence costs. Transaction costs associated with properties acquired through business combinations (as defined in IFRS 3) are expensed.

Subsequent expenditure is added to the investment property's carrying amount, if it is probable that future financial benefits associated with the expenditure will flow to the Group and the expense can be measured reliably. Other maintenance costs are recorded through the income statement in the period in which they are incurred. Investment properties are valued at each reporting date. The values are estimated by independent valuers. The valuation is based on the individual property's assumed future cash flows, and property values are arrived at by discounting cash flows with an individual risk-adjusted required rate of return.

The required rate of return for each property is defined as being a long-term risk-free interest rate plus a property-specific risk supplement. The latter is defined on its location, standard, occupancy rate, tenants' financial reliability and remaining lease term. Known market transactions with similar properties in the same geographical area are also taken into consideration. See also note 9.

Impairment of assets

The carrying amounts of non-current tangible and intangible assets are assessed by means of impairment tests whenever there is an indication of impairment. Any impairment of goodwill is nevertheless assessed at least annually. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. As of 31 December 2017, the amount of goodwill tested for impairment amounted to TNOK 72 .272. No impairment losses were recognized in 2016 or 2017. Details of the impairment loss calculation are set out in note 15.

Note 5 Financial instruments risk management objectives and policies

The Group's financial assets and liabilities comprise cash and bank deposits, trade receivables, trade payables, loans from financial institutions, loans from shareholders and various other financial assets and liabilities. All financial assets and liabilities are carried at amortized cost. The carrying value of all financial assets and liabilities approximates their fair value. Refer to note 22 and note 23 for further details.

The Group finances its activities through borrowings, by issuing equity instruments and through operations. The Group does currently not use financial derivatives. The Group is subject to market risk (foreign currency risk and interest rate risk), credit risk and liquidity risk.

Liquidity risk

The Group manages liquidity risk by estimating and monitoring cash and liquidity needs on an on-going basis, and maintaining adequate reserves and banking facilities. The Group has sufficient cash available to meet its obligations as at 31 December 2017. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed terms.

Credit risk

Credit risk is the risk of a counterparty defaulting. The Group's credit risk is limited to trade receivables and is mitigated by the fact that a credit check is performed, using credit rating agencies, for all new customers. Rent is generally invoiced monthly in advance. Historically, losses on receivables have been low and an allowance has been made for anticipated future losses on current balances. Other financial assets comprise largely bank deposits. The carrying value of the bank deposits and receivables represents the Group's maximum exposure to credit risk. See also note 18.

Interest rate risk

The Group is exposed to interest rate risk through its financial activities. The interest-bearing debt consists of two elements, 3 months Nibor + a fixed charge of 145 basis points. The purpose of the Group's interest rate risk management is to reduce interest costs and at the same time keep the volatility of future interest payments within acceptable limits.

The following table illustrates the sensitivity of the Group to potential interest rate changes. The calculation are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates.

Interest rate sensivity		**Change in interest rates in basis points**	**Effect on profit before tax**	**Effect on equity**
(Amounts in NOK 1 000)	2017	50	-4 722	-3 589
		-50	4 722	3 589
	2016	50	-5 467	-4 101
		-50	5 467	4 101

The average effective interest rate on financial instruments were as follows:

	2017	**2016**
Bank loans	1,85	2,94

Foreign currency risk

Exposures to currency exchange rates arise from the Group's purchases abroad, which are primarily denominated in SEK, EUR and DKK. Profit after tax for the Group is also affected by changes in exchange rates, as the results of foreign companies are translated into Norwegian kroner at the weighted average exchange rate for the period. In addition the Group is exposed to changes in exchanges rates on loan from the parent company to the subsidiaries in Sweden and Denmark where the loans are in DKK and SEK.

The following table shows currency effect on the Group's profit and equity if the exchange rates fluctuate with +/- 10% measured against NOK:

(Amounts in NOK 1 000)		2017		2016	
Foreign currency sensitivity	**Changes in currency**	**Effect on profit before tax**	**Effect on equity**	**Effect on profit before tax**	**Effect on equity**
SEK	10%	-77	-59	363	272
	-10%	77	59	-363	-272
DKK	10%	182	139	472	354
	-10%	-182	-139	-472	-354
EUR	10%	-145	-110	-	-
	-10%	145	110	-	-

Capital management

The main purpose of the Group's capital management is to maintain a good balance between debt and equity, in order to maximize the value of the shares in the Group, while also maintaining a good credit rating and obtaining loan terms with lenders that reflect the risk profile of the Group.

Net debt is defined as interest-bearing debt (short and long), less cash. Equity includes all capital and reserves, paid and earned.

	2017	**2016**
Interest bearing debt	94 440	109 348
Cash	-195 224	-34 115
Net debt	-100 784	75 233
Equity	513 957	155 047
Total equity and net debt	**413 173**	**230 280**

Note 6 Business combinations

Acquisitions during the year

2017	Main business activity	Date of business combination	Proportion of voting equity acquired	Acquiring entity
Minilageret AS	Self-storage solutions	30 June 2017	100	Self Storage Group ASA

The above company has been acquired with the purpose of continuing expansion of the group's activities, which focus on the self-storage market in Norway. Minilageret AS was acquired on 30 June 2017 and is reported as part of the OK Minilager (OKM) operating segment.

Consideration

(Amounts in NOK 1 000)	Minilageret AS
Cash	39 000
Shares in Self Storage Group ASA	26 000
Total consideration	**65 000**

Assets and liabilities assumed in connection with the business combination of Minilageret AS have been recognised at their estimated fair value on the date of the business combination. Fair value adjustments have been made to the investment property and property, plant and equipment owned by Minilageret. No other adjustments to the carrying values of assets and liabilities have been identified. The estimates are provisional and may be subject to change during the measurement period, which is one year from the date of the acquisition.

Identifiable assets and liabilities recognised on the date of the business combination

(Amounts in NOK 1 000)	Carrying amount 30 June 2017	Fair value adjustments	Fair value 30 June 2017
Investment property	49 204	21 450	70 654
Property, plant and equipment	596	5 292	5 888
Trade receivables	111		111
Other current assets	461		461
Cash and cash equivalents	1 090		1 090
Deferred tax liability	-765	-6 418	-7 183
Interest-bearing liabilites	-26 295		-26 295
Trade payables	-54		-54
Other current liabilities	-209		-209
Net assets	**24 139**	**20 324**	**44 463**

Goodwill

(Amounts in NOK 1 000)	Minilageret AS
Consideration	65 000
Fair value of identifiable net assets acquired	-44 463
Goodwill	**20 537**

Goodwill that has arisen as part of the business acquisition is not tax deductible.

Effect on group results

For the year ended 31 December 2017, revenues for the last six months were recognised in the Group financial statements, as the company was acquired on 30 June 2017.

If the business had been consolidated from 1 January 2017 the sales revenues for the Group would have been TNOK 217 563 and the profit after tax for the Group for the year ended 31 December 2017 would have been TNOK 51 309. Minilageret AS contributed with TNOK 5 656 in revenue in 2017 and TNOK 1 969 in profit after tax.

Note 7 Segment information

(Amounts in NOK 1 000)

Management has determined the operating segments based on reports reviewed by the CEO and management group and Board, and which are used to make strategic and resource allocation decisions. During the fourth quarter of 2016, after the acquisition of the City Self-Storage companies, the Group decided to report management information based on the two concepts offered by the Group, City Self-Storage (CSS) and OK Minilager (OKM). OK Property (OKP) was established at the start of 2017 gathering the investments-properties in the Group. The Other/elimination column includes administration and management activities not attributable to the operating segments and elimination of intercompany transactions and balances. Adjustments necessary to reconcile management information with the Group's accounting principles (IFRS compliant) have been made on a total level, reconciling the total of the operating segment's EBITDA to the Groups consolidated profit before tax under IFRS.

The total of Sales income and Other income in the segment reporting corresponds with the line item Revenue as recognised under IFRS.

The Group's reportable segments are as follows:

OK Minilager (OKM)	Nationwide presence in Norway offering climate controlled storage units and container based storage.
City Self-Storage (CSS)	Climate controlled facilities in all Scandinavian countries, with a primary focus on the capital cities of Oslo, Stockholm and Copenhagen.
Property	The ownership and development of property.
Other/eliminations	The remainder of the Group's activities, including administration and management activities not attributable to the operating segments described above.

For the year ended 31 December 2017	CSS	OKM	Property	Other/ eliminations	Total
Sales income	142 737	50 847	-	-	193 584
Other income	16 402	1 476	6 151	-5 470	18 559
Operating costs	-132 281	-27 067	-1 310	-8 547	-169 205
EBITDA	26 858	25 256	4 841	-14 017	42 938
Reconciliation to profit before tax as reported under IFRS					
Depreciation	-	-	-	-	-7 261
Change in fair value of investment property	-	-	-	-	29 831
Finance lease expense	-	-	-	-	-
Finance income	-	-	-	-	1 333
Finance expense	-	-	-	-	-4 626
Profit before tax	**-**	**-**	**-**	**-**	**62 215**

For the year ended 31 December 2016	CSS	OKM	Property	Other/ eliminations	Total
Sales income	36 355	39 810	-	-	76 165
Other income	4 557	23	986	-854	4 712
Operating costs	-36 425	-19 637	-57	848	-55 271
EBITDA	4 487	20 196	929	-6	25 606
Reconciliation to profit before tax as reported under IFRS					
Depreciation	-	-	-	-	-4 224
Change in fair value of investment property	-	-	-	-	17 832
Finance lease expense	-	-	-	-	415
Finance income	-	-	-	-	233
Finance expense	-	-	-	-	-1 247
Profit before tax	**-**	**-**	**-**	**-**	**38 615**

No customer exceeds 10 percent of the revenues.

Note 8 Revenue

(Amounts in NOK 1 000)

The following is an analysis of the Group's revenue for the period:

	For the year ended 31 December 2017	For the year ended 31 December 2016
Rental income from self-storage services	193 584	76 166
Revenue from retail sales	7 935	2 233
Agent revenue from insurance services	4 441	1 221
Other revenue	6 183	1 257
Total revenue	**212 143**	**80 877**

Geographical analysis of revenues:		
Norway	138 012	60 644
Sweden	38 639	11 151
Denmark	35 492	9 081
Total revenue	**212 143**	**80 877**

The geographical allocation is based on the location of the business operations.

Note 9 Investment property

(Amounts in NOK 1 000)

Investment property is measured at fair value. Gains and losses arising from a change in the fair value of investment property are included in profit or loss in the period in which they arise. The company's valuation process is based on valuations performed by an independent external party, supplemented by internal analysis and assessments.
The valuations are reviewed on a quarterly basis.

Properties are valued by discounting future cash flows. Both contractual and expected future cash flows are included in the calculations. Fair value assessments depend largely on assumptions related to market rent, discount rates and inflation. Market rent is based on individual assessments for each property.

Carrying value of investment property

Changes in the carrying amount of investment property are specified in the table below.

	For the year ended 31 December 2017	For the year ended 31 December 2016
Balance at beginning of the period	163 738	35 067
Additions	8 185	52 813
Acquisitions through asset acquisitions	66 223	58 026
Acquisitions through Business combination	70 654	-
Gain/loss on property revaluation	29 831	17 832
Balance at end of the period	**338 631**	**163 738**

Lease payments are based on contract between the real estate company and the operating companies. Property-related expenses relating to investment properties are recognised in profit or loss. The group had two contractual obligations of total NOK 9.3 million for construction contracts related to investment properties at 31 December 2017.

Fair value assessment

Changes in fair value of investment property are specified in the table below

	Determination of fair value using			
	Observable market value for corresponding assets and liabilities (level 1)	Other significant observable input (level 2)	Other significant unobservable input (level 3)	Total estimated fair value
Investment property	-	-	338 631	338 631
Total investment property as at 31 December 2017	**-**	**-**	**338 631**	**338 631**
Investment property	-	-	163 738	163 738
Total investment property as at 31 December 2016	**-**	**-**	**163 738**	**163 738**

Level 1: Investment property valued based on quoted prices in active markets for identical assets.

Level 2: Investment property valued based on observable market information not covered by level 1.

Level 3: Investment property valued based on information that is not observable under level 2.

In December 2017, Newsec conducted a valuation of 29 of 35 properties. The majority of the properties that were valuated are properties acquired before 2017.

Note 10 Salary and other employee benefits

(Amounts in NOK 1 000)

	For the year ended 31 December 2017	For the year ended 31 December 2016
Salaries and wages	28 439	9 530
Social security tax	4 668	1 344
Pension expense	1 243	229
Other	2 397	237
Total salary and other employee benefits	**36 747**	**11 340**
Average number of full time equivalent employees	60	19

The Group has a defined contribution pension scheme that complies with requirements of Norwegian occupational pension legislation (OTP).

Remuneration to key management

Total remuneration to key management during the year ended 31 December 2017 is as follows:

Name	Title	Salary	Pension expense	Bonus	Other/ Options	Total remuneration
Fabian Søbak	CEO	493	10	-	-	503
Cecilie Hekneby	CFO	1 287	80	-	-	1 367
Gustav Søbak	COO	499	10	-	-	509
Lauras Melnikas	Growth Manager	822	28	-	1 580	2 430
Isak Larsson	General Manager CSS	1 070	51	425	-	1 545
		4 171	**179**	**425**	**1 580**	**6 354**

Remuneration to Board of Directors

No remuneration was paid or is due to the Board of Directors for 2016

For 2017 the remuneration to the Board of Directors is as follows:

Name	Title	Fee
Martin Nes	Chairman of the Board	150
Gustav Søbak	Board member	100
Fabian Søbak	Former board member (resigned 29.09.2017)	100
Jan Frode Andersen	Former board member (resigned 29.09.2017)	100

Salaries and remuneration to leading employees

Leading employees is in this regard defined as the SSG Management Team. The remuneration packages are designed to attract, motivate and retain leading employees of the necessary calibre and to reward them for enhancing value to shareholders. Total remuneration for leading employees consists of a fixed salary and a few common fringe benefits.

The General Manager for CSS (GM CSS) has a bonus program with a maximum of 50% bonus achievement based on his fixed salary. The achievement of performance objectives can be measured through clearly defined results parameters/KPIs. Results parameters/KPIs include both financial performance targets set for the company as well as individual performance targets tied to the individual's area of responsibility. The Growth Manager has a 3 month staying on bonus based on his fixed salary payable at the end of 2018.

The Growth Manager had share options for 10 shares in OK Minilager in his employee contract. The founders of SSG ASA recived 1000 shares in SSG ASA for each share in OK Minilager. The share-option was exercised in March 2018.

The remuneration package for the CEO will ble evaluated during 2018

The Group is required to have a compulsory pension in accordance with the Norwegian Accounting Act §7-30a. The Group has a pension plan that fulfils this requirement. Leading employees are members of the Company's pension and insurance scheme that applies to all employees. No loans or guarantees have been provided to any employees, members of the Board or their related parties.

Note 11 Auditor's fee

(Amounts in NOK 1 000)

Fees to auditors (exclusive of VAT) for the year ended 31 December are as follows:

	For the year ended 31 December 2017	**For the year ended 31 December 2016**
Audit fee	1 379	70
Other attest services	142	61
Total fee to auditor	**1 521**	**131**

Ernst & Young is the Groups auditor from 5 October 2017

Note 12 Finance income and finance expense

(Amounts in NOK 1 000)

Finance income

	For the year ended 31 December 2017	**For the year ended 31 December 2016**
Gain from transactions in foreign currency	639	135
Other finance income	694	98
Total finance income	**1 333**	**233**

Finance expense

	For the year ended 31 December 2017	**For the year ended 31 December 2016**
Loss from transactions in foreign currency	212	38
Interest cost	3 347	979
Interest on obligations under finance lease	31	46
Other fees and charges	1 036	184
Total finance expense	**4 626**	**1 247**

All finance income and expense relate to financial assets and financial liabilities measured at amortized cost.

Note 13 Income tax

(Amounts in NOK 1 000)

Specification of income tax expense

The tax benefit/(expense) is calculated based on income before tax and consists of current tax and deferred tax.

	For the year ended 31 December 2017	For the year ended 31 December 2016
Deferred tax expense	10 297	5 356
Current tax expense	1 699	4 429
Income tax expense	11 996	9 785

Income tax payable (balance sheet)	For the year ended 31 December 2016	For the year ended 31 December 2016
Income tax payable	1 699	8 171

Effective Tax Rate

The difference between income tax calculated at the applicable income tax rate and the income tax exepense attributable to loss before income tax was as follows:

	For the year ended 31 December 2017	For the year ended 31 December 2016
Profit/(loss) before income tax	62 215	38 615
Statutory income tax rate	24%	25%
Expected income tax expense/(benefit)	14 932	9 654
Tax effect non deductible expenses (benefits)	-2 017	-80
Effect of changes in tax rules and rates	-983	-61
Change in deferred tax asset not recognized	64	272
Income tax expense/income for the year	**11 996**	**9 785**
Effective tax rate	19%	25%

Tax losses carried forward

Tax losses carried forward in selected countries expire as follows:

	Norway	Sweden	Denmark	Total
Not time limited	-	642	75 762	76 404
Total tax losses carried forward	-	642	75 762	76 404
Of which not recognized as deferred tax assets		642	75 762	76 404

Deferred tax asset are not recognized for unused tax losses carried forward, as the Group cannot demonstrate that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized.

Specification of the tax effect of temporary differences and losses carried forward

The tax effects of temporary differences and tax losses carried forward at 31 December are as follows:

	For the year ended 31 December 2017	For the year ended 31 December 2016
Investment property, property, plant and equipment	-23 480	-4 342
Finance Lease	-216	-51
Receivables	110	8
Tax losses carried forward	-	1
Deferred income	1 309	-
Gain/loss account	-13	-
Deferred tax asset (liability)	**-22 289**	**-4 383**

Deferred tax has been calculated using a tax rate of 23 % for 2017 and 24 % for 2016. This is the tax rates enacted as at 31 December 2017 and 31 December 2016.

Tax rates outside Norway different from 24%

City Self Storage Sweden and City Self Storage Denmark have lower nominal tax rates (22%) than the nominal tax rate for Norway.

Effect of changes in tax rates

Norway will reduce corporate income tax rate from 24% to 23% with effect from 1 January 2018

Note 14 Property, plant and equipment

(Amounts in NOK 1 000)

Year ended 31 December 2017	Operating and office equipment	Equipment under finance leases	Total
Cost at 1 January 2017	66 213	2 021	**68 234**
Acquisitions through business combinations	5 888	-	**5 888**
Additions in the year	8 596	-	**8 596**
Disposals in the year	3 755	-	**3 755**
Translation differences	865		**865**
Cost at 31 Desember 2017	**77 807**	**2 021**	**79 828**
Accumulated depreciation at 1 January 2017	22 598	399	**22 997**
Depreciation in the year	7 047	158	**7 205**
Disposals in the year	2 740		**2 740**
Translation differences	240		**240**
Accumulated depreciation at 31 December 2017	27 145	557	**27 702**
Net carrying amount at 31 December 2017	**50 661**	**1 464**	**52 125**

Year ended 31 December 2016	Operating and office equipment	Equipment under finance leases	Total
Cost at 1 January 2016	39 562	2 021	**41 583**
Acquisitions through business combinations	24 236	-	**24 236**
Additions in the year	2 976	-	**2 976**
Disposals in the year	561	-	**561**
Cost at 31 Desember 2016	**66 213**	**2 021**	**68 234**
Accumulated depreciation at 1 January 2016	18 532	241	**18 773**
Depreciation in the year	4 066	158	**4 224**
Accumulated depreciation at 31 December 2016	22 598	399	**22 997**
Net carrying amount at 31 December 2016	**43 614**	**1 622**	**45 236**
Estimated useful life	3-20 years	10-15 years	
Depreciation method	straight-line	straight-line	

Estimated useful life on fitout is 20 years. Remaining Operating and office equipment has a useful life of 3-5 years.

Note 15 Goodwill

Year ended 31 December 2017	Goodwill	Software	Total
Cost at 1 January 2017	51 985	55	52 040
Acquisitions through business combinations	20 537	-	20 537
Additions in the year	-	494	494
Disposals in the year	-	-	-
Translation differences	-250	-	-250
Cost at 31 Desember 2017	72 272	549	72 821
Accumulated depreciation at 1 January 2017	-	-	-
Depreciation in the year	-	56	56
Disposals in the year	-	-	-
Translation differences	-	-	-
Accumulated depreciation at 31 December 2017	-	56	56
Net carrying amount at 31 December 2017	**72 272**	**493**	**72 765**
Year ended 31 December 2016	**Goodwill**	**Software**	**Total**
Cost at 1 January 2016	-	-	-
Acquisitions through business combinations	51 985	55	52 040
Additions in the year	-	-	-
Disposals in the year	-	-	-
Cost at 31 Desember 2016	51 985	55	52 040
Accumulated depreciation at 1 January 2016	-	-	-
Depreciation in the year	-	-	-
Accumulated depreciation at 31 December 2016	-	-	-
Net carrying amount at 31 December 2016	**51 985**	**55**	**52 040**

Software - acquired and developed

Expenses related to the purchase of new software are capitalised as an intangible asset if these costs are not part of the original hardware costs. Software is depreciated over 3 years.

Expenses incurred due to service or maintenance are expensed unless the changes in the software increase the future economic benefits of the software.

Goodwill

Goodwill originating from the business combination is primarily related to anticipated synergies from on-going operations and the benefit of integrating the entire business into the group.

No impairment has been recognised subsequent to the business combination.

The Group tests goodwill for impairment annually, or more often if internal or external indications of a loss in value exists. The goodwill in the Group is recognised and tested within the operating segments City Self-Storage and OK Minilager, being the relevant group of Cash Generating Units (CGU). The recoverable amount for these operating segments is determined using the value in use approach. Budgets (before tax) for the next year are utilised as the basis for estimating future cash flows and a pre-tax discount rate of 8,2 percent applied (WACC). Management's assessment is that goodwill would not suffer an impairment loss given a reasonable change in the key variables utilised in calculating the value in use for the relevant cash generating units.

The recoverable amount of each segment was determined based on the following estimates:

* Future sales and costs are based on budget for 2018 approved by the Board of Directors
* Inflation is set at 2 percent
* For goodwill testing, management has used a ten year period, which is equal to the average remaining length of the lease terms
* Risk-free interest rate is the 10-year government bond yield
* Beta value is SSG's Beta per 31.12.2017

	Cash Generating Units	
	CSS	**OKM**
Goodwill	51 985	20 537
Deferred tax	-	-6 418
Goodwill for impairment testing	51 985	14 119

	Cash Generating Units	
Sensitivity analysis 2017	**CSS**	**OKM**
Pre-tax discount rate	8 %	8 %
Discount rate level before possible impairment of goodwill	44 %	18 %

Note 16 Subsidiaries

Details of the Group's subsidiaries at the end of the reporting period are as follows

Proportion of ownership interest and voting power held by the group

Name of subsidiary	Principal activity	Acquisition date	Parent company	Acquisition type	Country of operation	31 Dec 2017	31 Dec 2016
Selvaag Self Storage AS	Self-storage	31 Dec 2016	Self Storage Group ASA	Business combination	NO	*	100%
City Self-Storage A/S	Self-storage	28 Sep 2016	Self Storage Group ASA	Business combination	DK	100%	100%
City Self-Storage Norge AS	Self-storage	28 Sep 2016	Self Storage Group ASA	Business combination	NO	100%	100%
City Self-Storage Sverige AB	Self-storage	28 Sep 2016	Self Storage Group ASA	Business combination	SE	100%	100%
Etterstadsletta 3 AS	Real estate	31 Dec 2016	OK Minilager AS	Asset acquisition	NO	100%	100%
Nyvegen 7 Eiendom AS	Real estate	13 Sep 2016	OK Minilager AS	Asset acquisition	NO	100%	100%
OK Minilager AS	Self-storage		Self Storage Group ASA	Asset acquisition	NO	100%	100%
Skolmar 23 Eiendom AS	Real estate	1 Oct 2015	OK Minilager AS	Asset acquisition	NO	100%	100%
Wallemslien 18 AS	Real estate	1 Nov 2016	OK Minilager AS	Asset acquisition	NO	100%	100%
OK Property	Real estate	31 Jan 2017	Self Storage Group ASA	Establishment	NO	100%	
Minilageret AS	Self-storage	30 Jun 2017	Self Storage Group ASA	Business combination	NO	100%	
City Moving	Self-storage	13 Oct 2017	Self Storage Group ASA	Establishment	NO	100%	
Godøygata 8 AS	Real estate	30 Mar 2017	OK Property AS	Asset acquisition	NO	100%	
Trondheimsveien 436 AS	Real estate	1 Jul 2017	OK Property AS	Asset acquisition	NO	100%	
Nordkilen 4A AS	Real estate	1 Nov 2017	OK Property AS	Asset acquisition	NO	100%	

For more information on the business combination in 2017, please refer to note 6.

** Selvaag Self-Storage AS was merged with Self Storage Group ASA 2 January 2017*

Note 17 Inventories

Inventories comprise finished goods of TNOK 1 434 as at 31 December 2017 (2016: TNOK 1 623) and include storage supplies for sale to customers.

No impairment charges that reduce the carrying value of inventories have been recognised during the period.

Inventories sold during 2017 have been expensed in profit or loss.

Note 18 Trade and other receivables

(Amounts in NOK 1 000)

	For the year ended 31 December 2017	For the year ended 31 December 2016
Trade receivables	12 443	11 491
Allowances for bad debt provisions (analysed below)	-988	-914
Total trade receivables	**11 455**	**10 577**
Other receivables	-	-
Total trade and other receivables	**11 455**	**10 577**

The above total represents the Group's maximum exposure to credit risk at the reporting date.

Allowance for bad debt	For the year ended 31 December 2017	For the year ended 31 December 2016
Balance at the beginning of the year	-914	-
Acquisitions	-	-1 019
Bad debt provisions recognised on trade receivables	974	456
Change in allowance	-1 036	-354
Translation differences	-12	3
Balance at the end of the year	**-988**	**-914**

	For the year ended 31 December 2017		
Specification of the age distribution of trade receivables:	**Trade receivables**	**Allowance for bad debt**	**Trade receivables net of allowance**
Not past due on the reporting date	10 080	-	10 080
Past due 0-30 days	1 136	-	1 136
Past due 31-60 days	351	-148	203
Past due 61-90 days	76	-40	36
Past due over 90 days	800	-800	-
Carrying amount:	**12 443**	**-988**	**11 455**

	For the year ended 31 December 2016		
Specification of the age distribution of trade receivables:	**Trade receivables**	**Allowance for bad debt**	**Tade receivables net of allowance**
Not past due on the reporting date	9 442	-	9 442
Past due 0-30 days	918	-	918
Past due 31-60 days	386	-175	211
Past due 61-90 days	26	-20	6
Past due over 90 days	719	-719	-
Carrying amount:	**11 491**	**-914**	**10 577**

58 percent of Trade and other receivables at 31 December 2017 are in NOK. Remaining amounts are in DKK and SEK.

Note 19 Cash and cash equivalents

(Amounts in NOK 1 000)

	As at 31 December 2017	As at 31 December 2016
Cash	104	113
Employee withholding tax	1 205	238
Variable rate bank accounts	191 433	32 711
Deposits	2 482	1 053
Total cash and cash equivalents	**195 224**	**34 115**

Of the total balance in cash and cash equivalents, TNOK 1 205 (2016: TNOK 238) relate to restricted funds for employee withholding taxes. The CSS companies had an employee withholding tax guarantee with Selvaag Gruppen until 31 December 2016.

Note 20 Share capital and shareholders

The share capital of NOK 6 369 528 consisted of 63 695 284 shares, each with a nominal value of NOK 0.10 at the end of 2017. All shares carry equal rights.

The movement in the number of shares during the year was as follows:

	For the year ended 31 December 2017	For the year ended 31 December 2016
Ordinary shares at beginning of period	3 945 500	227 000
Issue of ordinary shares from cash contribution	15 131 957	167 500
Issue of ordinary shares from non-cash contribution	1 485 714	-
Issue of share capital - transfer from retained earnings	43 132 113	-
Additional shares on establishment of Self Storage Group ASA	-	3 551 000
Ordinary shares at 31 December	63 695 284	3 945 500

List of main shareholders at 31 December 2017:

Shareholder	Country	Number of shares	Ownership percentage
FEOK AS	Norway	12 220 000	19,2 %
CENTRUM SKILT AS	Norway	9 565 000	15,0 %
FABIAN HOLDING AS	Norway	9 565 000	15,0 %
FERNCLIFF INVEST AS	Norway	4 080 000	6,4 %
HOLTA INVEST AS	Norway	3 777 305	5,9 %
VATNE EQUITY AS	Norway	2 577 630	4,0 %
SKAGEN M2 VERDIPAPIRFOND	Norway	1 984 965	3,1 %
VERDIPAPIRFONDET DNB SMB	Norway	1 642 857	2,6 %
HSBC TTEE MARLB EUROPEAN TRUST	U.K	1 603 083	2,5 %
FIDELITY INT REAL ESTATE FUND	Belgium	1 433 900	2,3 %
STORGATA EIENDOM AS	Norway	1 235 714	1,9 %
KLAVENESS MARINE FINANCE AS	Norway	1 217 004	1,9 %
DANSKE INVEST NORGE VEKST	Norway	1 071 428	1,7 %
STOREBRAND VEKST VERDIPAPIRFOND	U.K	947 370	1,5 %
SVENSKA HANDELSBANKEN AB	Norway	625 000	1,0 %
BERNT HOLDING AS	Norway	504 872	0,8 %
GRANDEUR PEAK GLOBAL REACH FUND	U.S.A.	481 500	0,8 %
CAMACA AS	Norway	365 644	0,6 %
DATUM AS	Norway	338 980	0,5 %
CIPRIANO AS	Norway	325 000	0,5 %
Other		8 133 032	12,8 %
Sum		**63 695 284**	**100%**

Shares held by Board of Directors and Executive Management	Title	Amount of shares	Ownership percentage
Fabian Søbak (Fabian Holding AS)	Chief Executive Officer	9 565 000	15,0 %
Gustav Søbak (Centrum Skilt AS)	Board member	9 565 000	15,0 %
Runar Vatne [1] (Vatne Capital AS)	Board member	2 577 630	4,0 %
Martin Nes [2]	Chairman of the Board	672 899	1,1 %
Cecilie Hekneby	Chief Financial Officer	283 288	0,4 %
Lauras Melnikas	Growth Manager	84 750	0,1 %
Hans Isak Larsson	General Manager CSS	40 000	0,1 %

[1] Runar Vatne owns 100% of the shares in Vatne Equity AS. Vatne Equity owns 100% of the shares in Vatne Capital.

[2] Martin Nes owns 3.11% of the shares in Feok AS

Board member Caroline Folkeson Jensen purchased 20 000 shares on 5 March 2018. Following the transaction she owns 20 000 shares in Self Storage Group ASA

Note 21 Earnings per share

(Amounts in NOK)

	For the twelve months ended 31 December 2017	For the twelve months ended 31 December 2016
Profit (loss) for the year	50 219 343	28 830 000
Weighted average number of outstanding shares during the period (basic)	50 604 776	23 300 000
Weighted average number of outstanding shares during the period (diluted)	51 021 997	23 300 000
Earnings (loss) per share - basic in NOK	0,99	1,24
Earnings (loss) per share - diluted in NOK	0,98	1,24

On 29 September 2017, the company's shares were split in the ratio 1:10, so that one share with nominal value of NOK 1 is replaced with 10 new shares, each with a nominal value of NOK 0.10. Earnings per share have been calculated as if the proportionate change in the number of shares outstanding had taken place at the start of the earliest period for which earnings per share as presented to ensure comparability.

On 26 October 2017 a share issue took place raising an amount of NOK 191 550 000 net of transaction costs, increasing share capital to NOK 6 221 000.

On 27 November 2017, the company issued 1 485 714 new shares to the selling shareholder of Minilageret AS, as part settlement of the remaining part of the purchase price for Minilageret AS. After registration of the new shares, the new share capital is NOK 6 369 528

Note 22 Categories of financial assets and liabilities

(Amounts in NOK 1 000)

As at 31 December 2017	Loans and receivables	Financial liabilities measured at amortized cost	Total
Current financial assets			
Trade and other receivables	11 455	-	11 455
Cash and bank deposits	195 224	-	195 224
Total financial assets	**206 679**		**206 679**
Non-current financial liabilities			
Long term debt to financial institutions	-	89 690	89 690
Obligations under finance leases	-	214	214
Current liabilities			
Short term interest-bearing debt	-	4 750	4 750
Trade and other payables	-	10 282	10 282
Obligations under finance leases	-	312	312
Other current liabilities	-	37 049	37 049
Total financial liabilities	**-**	**142 297**	**142 297**

As at 31 December 2016	Loans and receivables	Financial liabilities measured at amortized cost	Total
Current financial assets			
Trade and other receivables	10 577	-	10 577
Cash and bank deposits	34 115	-	34 115
Total financial assets	**44 692**		**44 692**
Non-current financial liabilities			
Long term debt to financial institutions	-	23 179	23 179
Obligations under finance leases	-	526	526
Current liabilities			
Short term interest-bearing debt	-	86 169	86 169
Trade and other payables	-	8 743	8 743
Obligations under finance leases	-	384	384
Other current liabilities	-	31 893	31 893
Total financial liabilities	**-**	**150 894**	**150 894**

The carrying amounts of financial assets and liabilities approximate their fair value as at 31 December 2017 and 31 December 2016 respectively. Arrangements with financial institutions are entered into on market terms, and the carrying value at the reporting date has been assessed as approximating fair value.

Note 23 Maturity analysis financial liabilities

(Amounts in NOK 1 000)

Interest bearing liabilities are carried at amortized costs.

	Amounts due in		
	less than 1 year	1-5 years	Total
For the year ended 31 December 2017			
Debt to financial institutions	4 750	89 690	94 440
For the year ended 31 December 2016			
Debt to financial institutions and related parties	86 169	23 179	109 348

The Group entered into a loan agreement with Handelsbanken in July 2017 to refinance its loan obligations. The loans are classified in line with existing loan covenants.

Self Storage Group has several non-financial covenants in addition to one financial covenant in the agreement with Handelsbanken. The financial covenant is stating that interest-bearing debt is required to be less than 60 percent of fair value of investment property at all times. As of 31 December 2017, the Group is not in breach of any of the covenants. Trade and other payables are due within three months.

Specification of loans

(Amounts in NOK 1 000)	2017	Currency	Maturity date	Interest rate
Handelsbanken	74 479	NOK	Dec-20	3 months NIBOR +1,45 %
Handelsbanken	19 824	NOK	Dec-20	3 months NIBOR +1,45 %
Santander Consumer Bank AS	137	NOK	Nov-19	4,16%
Total bank borrowings at amortised cost	**94 440**			

(Amounts in NOK 1 000)	2016	Currency	Maturity date	Interest rate
Handelsbanken	14 625	NOK	Jul-19	3,22%
Handelsbanken	4 617	NOK	Feb-21	3,11%
Handelsbanken	5 118	NOK	Sep-20	3,10%
Handelsbanken	1 561	NOK	May-21	3,05%
Ferncliff Invest AS	36 502	NOK	Feb-17	3 months NIBOR + 3 %
Ferncliff Invest AS	45 487	NOK	Aug-17	3 months NIBOR + 3 %
Santander Consumer Bank AS	190	NOK	Nov-19	4,16%
Other liabilities to related parties	1 249	NOK		
Total borrowings at amortised cost	**109 348**			

Changes in liabilities arising from financing activities	Interest bearing borrowings	Non-interest bearing borrowings	Total borrowings
Opening balance 1 January 2017	**109 348**	**4 000**	**113 348**
Proceeds from borrowings	95 000	-	95 000
Additions due to acquisitions	26 295	-	26 295
Interest expenses	3 347	-	3 347
Interests paid	-2 710	-	-2 710
Repayment of borrowings	-136 840	-4 000	-140 840
Closing balance 31 December 2017	**94 440**	**-**	**94 440**

Changes in liabilities arising from financing activities	Interest bearing borrowings	Non-interest bearing borrowings	Total borrowings
Opening balance 1 January 2016	**13 298**	**4000**	**17 298**
Proceeds from borrowings	128 291	-	128 291
Interest expenses	979	-	979
Interests paid	-316	-	-316
Repayment of borrowings	-32 904	-	-32 904
Closing balance 31 December 2016	**109 348**	**4 000**	**113 348**

Note 24 Assets pledged as security

(Amounts in NOK 1 000)

Liability secured by assets pledged as at 31 December 2017:	**294 250**
Carrying value of assets pledged as security as at 31 December 2017:	
Trade receivables	11 455
Investment properties and other assets	378 737
Total	**390 192**

Note 25 Obligations under finance leases

(Amounts in NOK 1 000)

Leasing arrangements

The Group leases certain of its property, plant and equipment under finance leases, primarely containers. The average lease term is 5 years. The Group has an option to acquire the equipment for a nominal amount at the end of the lease term. The Group's obligations under finance leases are secured by the lessors' title to the leased assets.

Interest rates underlying all obligations under finance leases are fixed. An average rate applicable to similar loans has been used as the basis for calculating the financial liabilities .

Finance lease liabilities

		Present value of lease payments	
	Note	**As at 31 December 2017**	**As at 31 December 2016**
Not later than one year		312	384
Later than one year and not later than five years		214	526
Present value of lease payments		**526**	**910**
Finance charges		31	-46
Included in the consolidated financial statement as:		**As at 31 December 2017**	**As at 31 December 2016**
- Current obligations	22	312	384
- Non - current obligations	22	214	526

Note 26 Operating lease

(Amounts in NOK 1 000)

The Groups operating leases relate primarily to the lease of property

	Future minimum lease payments	
	As at 31 December 2017	**As at 31 December 2016**
Lease of Property		
Less than one year	71 319	56 280
Between one and five years	206 212	180 245
More than five years	262 002	174 215
	For the year ended 31 December 2017	**For the year ended 31 December 2016**
Lease expense recognised in profit or loss	72 842	19 533

Note 27 Other current liabilities

(Amounts in NOK 1 000)

	As at 31 December 2017	As at 31 December 2016
Loans from shareholders	-	4 000
Prepayments from customers	22 964	20 296
Payable to employees and shareholders	3 156	1 638
Other current liabilities	10 929	5 959
	37 049	**31 893**

All other liabilities are classified as current liabilities. In 2017, Other current liabilities includes the remaining part of the purchase price to Minilageret AS (TNOK 5 200)

Loans from shareholders in 2016 relate to subordinated loans (non-interest bearing).

Note 28 Related party transactions

(Amounts in NOK 1 000)

Balances and transactions between Self Storage Group ASA and its subsidiaries, which are related parties of Self Storage Group ASA, have been eliminated in the consolidated figures and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below.

During the year, the Group entered into the following trading transactions with related parties:

	Sale		Purchase	
	For the year ended 31 December 2017	For the year ended 31 December 2016	For the year ended 31 December 2017	For the year ended 31 December 2016
Ferncliff Invest AS	-	-	3 187	75

At 31 December, the Company had the following outstanding balances with related parties:

	Amounts owed by related parties (included in other receivables)		Amounts owed to related parties (included in short-term interest-bearing debt and other current liabilities)	
	31 December 2017	31 December 2016	31 December 2017	31 December 2016
Loans from key management personnel	-	-	-	5 249
Ferncliff Invest AS	-	-	-	81 989

Purchase from related party Ferncliff Invest AS in 2017 consist of interest costs and advisory services related to acquisitions

See also note 20 Share capital and shareholders.

Note 29 Events after the reporting period

Acquisition of properties

In the period from 1 January 2018 to 24 April 2018 , the Group has acquired the following properties:

Name of property	Amounts (NOK 1000)	Date of acquisition	Type of acquisition
Minilager Norge group	50 000	1 January 2018	Business combination
Sykehusgata 8, Halden	1 333	16 January 2018	Asset acquisition
Solheimsveien 32 AS, Lørenskog	31 000	1 February 2018	Company - asset acquisition
Skattøravegen 19 A,B, Tromsø	14 363	1 February 2018	Asset acquisition
Treschowsgate 3A, Larvik	4 100	1 March 2018	Asset acquisition
Skibåsen 16 A,B, Kristiansand	5 894	15 March 2018	Asset acquisition

If Minilager Norge group had been consolidated from 1 January 2017 the sales revenues for Self Storage Group would have been TNOK 218 611 and the profit after tax for the Group for the year ended 31 December 2017 would have been TNOK 51 533.

Financial statements Self Storage Group ASA

Parent company income statement

(Amounts in NOK 1 000)

	Note	For the year ended 31 December 2017	For the year ended 31 December 2016
Other revenue	12	12 028	-
Salary and other employee benefits	2	12 736	-
Depreciations	14	56	-
Other operating expenses	11	13 067	6
Operating profit		**-13 831**	**-6**
Finance income	13	36 033	1 594
Finance expense	13	1 135	-
Net financials		**34 898**	**1 594**
Profit before tax		**21 066**	**1 588**
Income tax expense	3	3 107	-1
Net profit for for the year		**17 960**	**1 589**
Proposed profit appropriation			
Retained earnings		17 960	1 589
Total appropriation		**17 960**	**1 589**

Parent company financial statements

(Amounts in NOK 1 000)

	Note	31 December 2017	31 December 2016
ASSETS			
Non-current assets			
Intangible assets	14	493	-
Deferred tax assets	3	-	1
Investment in subsidiaries	4	198 176	62 072
Loans to group companies	5	194 379	-
Total non-current assets		**393 047**	**62 073**
Current assets			
Trade and other receivables		680	325
Receivables from group companies	5	33 702	81 043
Cash and bank deposits	7	140 437	205
Total current assets		**174 820**	**81 573**
TOTAL ASSETS		**567 867**	**143 646**
EQUITY AND LIABILITIES			
Equity			
Issued share capital	8,10	6 369	395
Share premium	10	437 680	131 127
Retained earnings	10	18 454	1 589
Total equity		**462 503**	**133 111**
Liabilities			
Non-current liabilities			
Long-term interest-bearing debt	9	89 553	-
Deferred tax liabilities	3	9	-
Total non-current liabilities		**89 562**	**-**
Current liabilities			
Short-term interest-bearing debt	9	4 750	-
Trade and other payables		1 688	120
Other taxes and withholdings		998	-
Payables to group companies	5	-	10 415
Other current liabilities		8 366	-
Total current liabilities		**15 802**	**10 535**
Total liabilities		**105 364**	**10 535**
TOTAL EQUITY AND LIABILITIES		**567 867**	**143 646**

Self Storage Group ASA

Oslo, April 24th, 2018

sign	sign	sign
Martin Nes Chairman	Runar Vatne Board member	Gustav Sigmund Søbak Board member
sign	sign	sign
Yvonne Litsheim Sandvold Board member	Caroline Folkeson Jensen Board member	Fabian Søbak CEO

Self Storage Group ASA

Parent company Consolidated statement of cash flows

(Amounts in NOK 1 000)	Note	For the year ended 31 December 2017	For the year ended 31 December 2016
Cash flows from operating activities			
Profit before tax		21 066	1 588
Income tax paid		-	-
Interest not paid		490	-
Interest not received		-2 515	-1 594
Depreciation	14	56	-
Change in fair value of investment property		-	-
Group contribution	5, 13	-32 830	-
Change in trade and other receivables		-870	-
Change in trade and other payables		1 020	535
Change in other current assets		-41	-324
Change in other current liabilities		2 631	-
Net cash flows from operating activities		**-10 993**	**205**
Cash flows from investing activities			
Payments for intangible assets		-494	-
Issue of loan to subsidiaries		-191 864	-
Net cash outflow on acquisition of subsidiaries		-120 104	-
Net cash flows from investing activities		**-312 462**	**-**
Cash flows from financing activities			
Proceeds from issue of equity instruments of the Company		287 416	-
Proceeds from borrowings	15	95 000	-
Dividend from subsidiaries		81 043	-
Repayment of borrowings	15	-1 188	-
Net cash flows from financing activities		**462 271**	**-**
Net change in cash and cash equivalents		138 816	205
Cash and cash equivalents at beginning of the period		205	-
Cash from merger with Selvaag Self-Storage AS		1 416	-
Effect of foreign currency rate changes on cash and cash equivalents		-	-
Cash and equivalents at end of period	**7**	**140 437**	**205**

Note 1 Parent Company Accounting policies

Accounting Principles

The financial statements have been prepared in accordance to the Norwegian Accounting Act and generally accepted accounting principles in Norway.

Use of estimates

The management has used estimates and assumptions that have affected assets, liabillties, incomes, expenses and information on potential liabilities in accordance with generally accepted accounting principles in Norway.

Foreign currency translation

Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into NOK using the exchange rate applicable on the balance sheet date. Non-monetary items that are measured at their historical price expressed in a foreign currency are translated into NOK using the exchange rate applicable on the transaction date. Non-monetary items that are measured at their fair value expressed in a foreign currency are translated at the exchange rate applicable on the balance sheet date. Changes to exchange rates are recognised in the income statement as they occur during the accounting period.

Revenue recognition

Revenues from the sale of goods are recognised in the income statement once delivery has taken place and most of the risk and return has been transferred. Revenues from the sale of services and long-term manufacturing projects are recognised in the income statement according to the project's level of completion provided the outcome of the transaction can be estimated reliably. Progress is measured as the number of hours spent compared to the total number of hours estimated. When the outcome of the transaction cannot be estimated reliably, only revenues equal to the protect costs that have been incurred will be recognised as revenue. The total estimated loss on a contract will be recognised in the income statement during the period when it is identified that a project will generate a loss.

Income tax

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liablities. Deferred tax is calculated as 23% percent of temporary differences and the tax effect of tax losses carried forward. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized. Taxes payable and deferred taxes are recognised directly in equity to the extent that they relate to equity transactions.

Balance sheet classification

Current assets and short term liabilities consist of receivables and payables due within one year, and items related to the inventory cycle. Other balance sheet items are classified as fixed assets/long-term liabilities. Current assets are valued at the lower of cost and falr value. Short term liabilities are recognized at nominal value. Fixed assets are valued at cost, less depreciation and impairment losses. Long-term liabilities are recognized at nominal value.

Property, plant and equipment

"Property, plant and equipment" is capitalized and depreciated linearly over the estimated useful life. Significant fixed assets which consist of substantial components with dissimilar economic life have been unbundled; depreciation of each component is based on the economic life of the component. Costs for maintenance are expensed as incurred, whereas costs for improving and upgrading property plant and equipment are added to the acquisition cost and depreciated with the related asset. If carrying value of a non-current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount. The recoverable amount is the greater of the net realisable value and value in use. In assessing value in use, the discounted estimated future cash flows from the asset are discounted are used.

Subsidiaries and investment in associates

Subsidiaries and investments in associates are valued at cost in the company accounts. The investment is valued as cost of the shares in the subsidiary, less any impairment losses. An impairment loss is recognised if the impairment Is not considered temporary, in accordance with generally accepted accounting principles. Impairment losses are reversed if the reason for the impairment loss disappears in a later period. Dividends, group contributions and other distributions from subsidiaries are recognised in the same year as they are recognised In the financial statement of the provider. If dividends/group contribution exceed withheld profits after the acquisition date, the excess amount represents repayment of invested capital, and the distribution will be deducted from the recorded value of the acquisition in the balance sheet for the parent company.

Accounts receivable and other receivables

Accounts receivable and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful accounts. Provisions for doubtful accounts are based on an individual assessment of the different receivables. For the remaining receivables, a general provision is estimated based on expected loss.

Short term investments

Short term investments (stocks and shares seen as current assets) are valued at the lower of acquisition cost and fair value at the balance sheet date. Dividends and other distributions are recognized as other financial income.

Pensions

The company has a defined contribution pension in accordance with local laws. The premium paid is regarded as the pension cost for the period and classified as wage cost in the profit and loss statement.

Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash, bank deposits and other short-term, highly liquid investments with maturities of three months or less.

Note 2 Salary and other employee benefits

(Amounts in NOK 1 000)

	For the year ended 31 December 2017	For the year ended 31 December 2016*
Salaries and wages	7 714	-
Social security tax	1 176	-
Pension expense	369	-
Other	3 477	-
Total salary and other employee benefits	**12 736**	**-**
Average number of full time equivalent employees	12,9	-

The Group has a defined contribution pension scheme that complies with requirements of Norwegian occupational pension legislation (OTP).

Total remuneration to key management during the year ended 31 December is as follows:

	For the year ended 31 December 2017			
	Salary	Pension expense	Other/ Options	Total remuneration
CEO	493	10	-	502
Other key management**	2 608	118	1 580	4 306
Total key management remuneration	**3 101**	**128**	**1 580**	**4 808**

Remuneration to Board of Directors

No remuneration was paid or due to the Board of Directors for 2016

Remuneration to the Board of Directors in 2017 is TNOK 656

**The Company had no employees in 2016*
***Other key management consist of 3 persons. See note 10 in Notes to the consolidated financial statements*

Note 3 Income tax

(Amounts in NOK 1 000)

Specification of income tax expense

The tax benefit/(expense) is calculated based on income before tax and consists of current tax and deferred tax.

	For the year ended 31 December 2017	For the year ended 31 December 2016
Deferred tax expense	3 107	-1
Current tax expense	-	-
Income tax expense	3 107	-1

Income tax payable (balance sheet)	For the year ended 31 December 2016	For the year ended 31 December 2016
Income tax payable	-	-

Effective Tax Rate

The difference between income tax calculated at the applicable income tax rate and the income tax expense attributable to loss before income tax was as follows:

	For the year ended 31 December 2017	For the year ended 31 December 2016
Profit/(loss) before income tax	21 066	1 588
Statutory income tax rate	24%	25%
Expected income tax expense/(benefit)	5 056	397
Tax effect non deductible expenses	-1 949	
Income tax expense/income for the year	**3 107**	**-1**
Effective tax rate	15%	-0%

Specification of the tax effect of temporary differences and losses carried forward

The tax effects of temporary differences and tax losses carried forward at 31 December are as follows:

	For the year ended 31 December 2017	For the year ended 31 December 2016
Property, plant and equipment	-9	-
Tax losses carried forward	-	1
Deferred tax asset (liability)	**-9**	**1**

Deferred tax has been calculated using a tax rate of 23 % for 2017 and 24 % for 2016. This is the tax rates enacted as at 31 December 2017 and 31 December 2016.

Note 4 Subsidiaries

Details of the company's subsidiaries at the end of the reporting period are as follows:

Proportion of ownership interest and voting power held by the group

Name of subsidiary	Principal activity	Acquisition date	Parent company	Acquisition type	Country of oper-ation	31 Dec 2017	31 Dec 2016
Selvaag Self Storage AS	Self-storage	31 Dec 2016	Self Storage Group ASA	Business combination	NO	*	100%
City Self-Storage A/S	Self-storage	28 Sep 2016	Self Storage Group ASA	Business combination	DK	100%	100%
City Self-Storage Norge AS	Self-storage	28 Sep 2016	Self Storage Group ASA	Business combination	NO	100%	100%
City Self-Storage Sverige AB	Self-storage	28 Sep 2016	Self Storage Group ASA	Business combination	SE	100%	100%
OK Minilager AS	Self-storage		Self Storage Group ASA	Asset acquisition	NO	100%	100%
OK Property	Real estate	31 Jan 2017	Self Storage Group ASA	Establishment	NO	100%	
City Moving	Self-storage	13 Oct 2017	Self Storage Group ASA	Establishment	NO	100%	
Minilageret AS	Self-storage	30 Jun 2017	Self Storage Group ASA	Business combination	NO	100%	

** Selvaag Self- Storage AS was merged with Self Storage Group ASA 2 January 2017*

Note 5 Balance with group companies

(Amounts in NOK 1 000)

Receivables	2017	2016
Loans to group companies	194 379	-
Accounts receivable	872	-
Other receivables	32 830	-
Sum	228 081	-
Payables	**2017**	**2016**
Accounts payable	-	415
Other liabilities	-	10 000
Sum	-	10 415

Other receivables consist of Group contribution from subsidiaries.
Other liabilities in 2016 consist of liabilities to the subsidiary Selvaag Self-Storage AS. Selvaag Self-Storage AS was merged with Self Storage Group ASA 2 January 2017.

Note 6 Related party transactions

(Amounts in NOK 1 000)

Balances and transactions between Self Storage Group ASA and its subsidiaries, which are related parties of Self Storage Group ASA, are not disclosed in this note. For information related to transactions with subidiaries, see note 5 Balances with Group companies. Details of transactions between Self Storage Group ASA and other related parties are disclosed below.

During the year, Self Storage Group ASA entered into the following trading transactions with related parties:

	Sale		Purchase	
	For the year ended 31 December 2017	For the year ended 31 December 2016	For the year ended 31 December 2017	For the year ended 31 December 2016
Ferncliff Invest AS	-	-	1 875	-

At 31 December, the Company had the following outstanding balances with related parties:

	Amounts owed by related parties (included in other receivables)		Amounts owed to related parties (included in short-term interest-bearing debt and other current liabilities)	
	31 December 2017	31 December 2016	31 December 2017	31 December 2016
Outstanding balances with related parties	-	-	-	-

Purchase from related party Ferncliff Invest AS in 2017 consist of advisory services related to acquisition costs.

See also note 28 Related party transactions in Notes to the consolidated financial statements.

Note 7 Cash and cash equivalents

(Amounts in NOK 1 000)

	As at 31 December 2017	As at 31 December 2016
Cash	-	-
Employee withholding tax	638	-
Variable rate bank accounts	139 556	-
Deposits	243	205
Total cash and cash equivalents	**140 437**	**205**

Of the total balance in cash and cash equivalents, TNOK 638 (2016: TNOK 0) relate to restricted funds for employee withholding taxes.

Note 8 Share capital and shareholders

The share capital of NOK 6 369 528 consisted of 63 695 284 shares, each with a nominal value of NOK 0.10 at the end of 2017. All shares carry equal rights.

The movement in the number of shares during the year was as follows:

	For the year ended 31 December 2017	For the year ended 31 December 2016
Ordinary shares at beginning of period	3 945 500	227 000
Issue of ordinary shares	16 617 671	167 500
Issue of share capital - transfer from retained earnings	43 132 113	-
Additional shares on establishment of Self Storage Group ASA	-	3 551 000
Ordinary shares at 31 December	63 695 284	3 945 500

List of main shareholders at 31 December 2017:

Shareholder	Country	Number of shares	Ownership percentage
FEOK AS	Norway	12 220 000	19,2 %
CENTRUM SKILT AS	Norway	9 565 000	15,0 %
FABIAN HOLDING AS	Norway	9 565 000	15,0 %
FERNCLIFF INVEST AS	Norway	4 080 000	6,4 %
HOLTA INVEST AS	Norway	3 777 305	5,9 %
VATNE EQUITY AS	Norway	2 577 630	4,0 %
SKAGEN M2 VERDIPAPIRFOND	Norway	1 984 965	3,1 %
VERDIPAPIRFONDET DNB SMB	Norway	1 642 857	2,6 %
HSBC TTEE MARLB EUROPEAN TRUST	U.K	1 603 083	2,5 %
FIDELITY INT REAL ESTATE FUND	Belgium	1 433 900	2,3 %
STORGATA EIENDOM AS	Norway	1 235 714	1,9 %
KLAVENESS MARINE FINANCE AS	Norway	1 217 004	1,9 %
DANSKE INVEST NORGE VEKST	Norway	1 071 428	1,7 %
STOREBRAND VEKST VERDIPAPIRFOND	U.K	947 370	1,5 %
SVENSKA HANDELSBANKEN AB	Norway	625 000	1,0 %
BERNT HOLDING AS	Norway	504 872	0,8 %
GRANDEUR PEAK GLOBAL REACH FUND	U.S.A.	481 500	0,8 %
CAMACA AS	Norway	365 644	0,6 %
DATUM AS	Norway	338 980	0,5 %
CIPRIANO AS	Norway	325 000	0,5 %
Other		8 133 032	12,8 %
Sum		**63 695 284**	**100%**

Shares held by Board of Directors and Executive Management

	Title	Amount of shares	Ownership percentage
Fabian Søbak	Chief Executive Officer	9 565 000	15,0 %
Gustav Søbak	Board member	9 565 000	15,0 %
Runar Vatne	Board member	2 577 630	4,0 %
Martin Nes	Chairman of the Board	672 899	1,1 %
Cecilie Hekneby	Chief Financial Officer	283 288	0,4 %
Lauras Melnikas	Growth Manager	84 750	0,1 %
Hans Isak Larsson	Country Manager CSS	40 000	0,1 %

See also note 20 in the consolidated financial statement

Note 9 Long-term liabilities and receivables

The Company has the following long-term liabilities:

(Amounts in NOK 1 000)	2017	2016
Handelsbanken	89 553	-
Total long-term liabilities	**89 553**	**-**

The Company has the following long-term receivables:

(Amounts in NOK 1 000)	2017	2016
Long-term receivables from subsidiaries	194 379	-
Total long-term receivables	**194 379**	**-**

Note 10 Change in equity for the parent company

(Amounts in NOK 1 000)	Issued Share capital	Share premium	Retained earnings	Total equity
Balance at 1 January 2016	**227**	**30**	**-**	**257**
Profit (loss) for the period			1 589	1 589
Issue of ordinary shares	168	131 097		131 265
Balance at 31 December 2016	**395**	**131 127**	**1 589**	**133 112**
Balance at 1 January 2017	**395**	**131 127**	**1 589**	**133 112**
Profit (loss) for the period			17 960	17 960
Issue of ordinary shares	1 661	306 553		308 214
Issue of share capital - transfer from retained earnings	4 313	-	-4 313	-
Equity effect of merger	-	-	3 218	3 218
Balance at 31 December 2017	**6 369**	**437 680**	**18 454**	**462 503**

Note 11 Auditor's fee

(Amounts in NOK 1 000)

Fees to auditors (exclusive of VAT) for the year ended 31 December are as follows:

	For the year ended 31 December 2017	For the year ended 31 December 2016
Audit fee	220	-
Other attest services	53	-
Total fee to auditor	**273**	**-**

The company paid no audit fees in 2016

Ernst & Young is the company's auditor from 5 October 2017

Note 12 Revenue

Revenue is related to management fees and accounting services to group companies

Note 13 Finance income and finance expense

(Amounts in NOK 1 000)

Finance income

	For the year ended 31 December 2017	For the year ended 31 December 2016
Group contribution	32 830	-
Gain from transactions in foreign currency	42	-
Other finance income	3 160	1 594
Total finance income	**36 033**	**1 594**

Finance expense

	For the year ended 31 December 2017	For the year ended 31 December 2016
Loss from transactions in foreign currency	36	-
Interest cost	1 002	-
Other fees and charges	97	-
Total finance expense	**1 135**	**-**

All finance income and expense relate to financial assets and financial liabilities measured at amortized cost.

Note 14 Intangible assets

(Amounts in NOK 1 000)

Year ended 31 December 2017	Intangible assets	Total
Cost at 1 January 2017	-	-
Additions through merger	55	55
Additions in the year	494	494
Disposals in the year	-	-
Cost at 31 Desember 2017	549	549
Accumulated depreciation at 1 January 2017	-	-
Depreciation in the year	56	56
Accumulated depreciation at 31 December 2017	56	56
Net carrying amount at 31 December 2017	**493**	**493**

Year ended 31 December 2016	Intangible assets	Total
Cost at 1 January 2016	-	-
Acquisitions through business combinations	-	-
Additions in the year	-	-
Disposals in the year	-	-
Cost at 31 Desember 2016	-	-
Accumulated depreciation at 1 January 2016	-	-
Depreciation in the year	-	-
Accumulated depreciation at 31 December 2016	-	-
Net carrying amount at 31 December 2016	**-**	**-**
Estimated useful life	3 year	
Depreciation method	straight-line	

Note 15 Maturity analysis financial liabilities

(Amounts in NOK 1 000)

Interest bearing liabilities are carried at amortized costs.

	Amounts due in		
	less than 1 year	**1-5 years**	**Total**
For the year ended 31 December 2017			
Debt to financial institutions	4 750	89 553	94 303
For the year ended 31 December 2016			
Debt to financial institutions	-	-	-

Self Storage Group ASA entered into a loan agreement with Handelsbanken in July 2017. The loans are classified in line with existing loan covenants. See also note 23 Maturity analysis financial liabilities in Notes to the consolidated financial statements.

Trade and other payables are due within three months.

Specification of loans

(Amounts in NOK 1 000)	**2017**	**Currency**	**Maturity date**	**Interest rate**
Handelsbanken	74 479	NOK	Dec-20	3 months NIBOR +1,45 %
Handelsbanken	19 824	NOK	Dec-20	3 months NIBOR +1,45 %
Total bank borrowings at amortised cost	**94 303**			

(Amounts in NOK 1 000)	**2016**	**Currency**	**Maturity date**	**Interest rate**
Bank borrowings	-	-	-	-
Total bank borrowings at amortised cost	-	-	-	-

Changes in liabilities arising from financing activities	**Interest bearing borrowings**
Opening balance 1 January 2017	-
Proceeds from borrowings	95 000
Interest expenses	1 002
Interests paid	-511
Repayment of borrowing	-1 188
Closing balance 31 December 2017	94 303

Alternative performance measures (APMs)

Self Storage Group’s financial information is prepared in accordance with international financial reporting standards (IFRS). In addition, management provides alternative performance measures that are regularly reviewed by management to enhance the understanding of the Group’s performance in addition to the financial information prepared in accordance with IFRS. The alternative performance measures may be presented on a basis that is different from other companies.

Operating profit before fair value adjustments

Presenting operating profit before fair value adjustments is useful to Self Storage Group as it provides a measure of profit before taking into account the movement in fair value of investment property and is useful to the Group for assessing operating performance

SSG's financial APMs

-EBIT: Operating profit before fair value adjustmets

-Adjusted EBIT: EBIT+/- identified items to be excluded from adjusted EBIT as descibed below

-EBITDA: EBIT + depreciation, amortization and impairments

-Adjusted EBITDA: EBITDA+/- identified items to be excluded from adjusted EBITDA as descibed below

-Adjusted Profit before tax: Adjusted EBIT+/- change in fair value of investment properties +/- net finance

-Adjusted Net Profit: Adjusted Profit before tax +/- tax expense

Definition of APM

(NOK 1 000)	**2017**	**2016**
Operating profit before fair value adjustments	**35 677**	**21 797**
EBIT	35 677	21 797
Costs related to IPO	6 947	-
Acquisition costs	2 503	-
Option to employee	1 803	-
Adjusted EBIT	46 930	21 797
Change in fair value of investment properties	29 831	17 832
Adjusted Profit before tax	73 468	38 615
Tax	13 767	9 785
Adjusted Net profit	59 701	28 830
Operating profit before fair value adjustments	**35 677**	**21 797**
Depreciation	7 261	4 224
EBITDA	42 938	26 021
Costs related to IPO	6 947	-
Acquisition costs	2 503	-
Option to employee	1 803	-
Adjusted EBITDA	54 191	26 021

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INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Self Storage Group ASA

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Self Storage Group ASA comprising the financial statements of the parent company and the Group. The financial statements of the parent company comprise the balance sheet as at 31 December 2017, the income statement and statements of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies. The consolidated financial statements comprise the statement of financial position as at 31 December 2017, statements of comprehensive income, cash flows and changes in equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion,

- the financial statements are prepared in accordance with the law and regulations;
- the financial statements present fairly, in all material respects, the financial position of the parent company as at 31 December 2017, and of its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway;
- the consolidated financial statements present fairly, in all material respects the financial position of the Group as at 31 December 2017 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company and the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in Norway, and we have fulfilled our ethical responsibilities as required by law and regulations. We have also complied with our other ethical obligations 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.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for 2017. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the financial statements.

Valuation of investment property

The investment properties in the Group's consolidated financial statements are recognized at fair value, amounting to NOK 338.6 million, equal to 49 % of the consolidated statement of financial position as of 31 December 2017. The change in fair value of investment properties recorded in the income statement amounted to NOK 29.8 million in 2017. The Group used an external appraiser to value the properties. The valuation of the Groups investment properties is dependent on a range of estimates such as rental income and yield. The valuation of the Group's investment properties is a key audit matter due to its magnitude, the uncertainty of the estimates and the complexity of the calculation.

We evaluated the professional qualifications and objectivity of the appraiser used by management. We obtained an understanding of the nature of the work performed, which included an evaluation of the objectivity and scope, including the methods and assumptions applied. We discussed the estimates and the movements in the fair value of the investment properties with management and the external appraiser. We evaluated the value of the investment properties by comparing it to, the Group's budget and historical valuations. We involved specialists to evaluate the assumptions used in estimating the fair value of investment property. Further, we tested the mathematical accuracy of the valuation model.

We refer to the Company's disclosures included in Note 2 Significant accounting policies (section Investment Property) and note 9 Investment property in the consolidated financial statements about the valuation model, key assumptions and estimation uncertainty.

Other information

Other information consists of the information included in the Company's annual report other than the financial statements and our auditor's report thereon. The Board of Directors and Chief Executive Officer (management) are responsible for the other information. Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

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

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway for the financial statements of the parent company and International Financial Reporting Standards as adopted by the EU for the financial statements of the Group, and for such internal control as management determines 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations, or has 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 ISAs 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 these financial statements.

As part of an audit in accordance with law, regulations and generally accepted auditing principles in Norway, including ISAs, 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 Company'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 management'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 Company'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 Company 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 in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Opinion on the Board of Directors' report and on the statements on corporate governance and corporate social responsibility

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report and in the statements on corporate governance and corporate social responsibility concerning the financial statements, the going concern assumption and proposal for the allocation of the result is consistent with the financial statements and complies with the law and regulations.

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Opinion on registration and documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, «Assurance Engagements Other than Audits or Reviews of Historical Financial Information», it is our opinion that management has fulfilled its duty to ensure that the Company's accounting information is properly recorded and documented as required by law and bookkeeping standards and practices accepted in Norway.

Oslo, 24 April 2018
ERNST & YOUNG AS

Jon-Michael Grefsrød

Jon-Michael Grefsrød
State Authorised Public Accountant (Norway)

SELF STORAGE
GROUP