eastnine

PRESS RELEASE
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Eastnine divests remaining holding in East Capital Eastern Europe Small Cap Fund

Eastnine AB (publ) has agreed to divest its remaining fund holdings in East Capital Eastern Europe Small Cap Fund, through regular fund redemption and through third party sale. As part of its strategic focusing the past few years, Eastnine has gradually reduced its holding in the fund by redeeming fund units of EUR 27.7m at full NAV since 2015. With these transactions and the previously announced fund redemption in January, Eastnine will receive approximately EUR 16.3m in Q1 2018, equivalent to a discount of approximately 15% against the fund's NAV per December 31, 2017.

"This brings us one step closer to our goal of being a pure Baltic real estate company. We have an active pipeline of qualitative office properties in the A-Class segment of the Baltic capitals. The investments we ultimately decide on must, however, meet our criteria in terms of return, sustainability and long-term attractiveness. The proceeds from this fund sale and from KBS as announced earlier today, are expected to have a combined neutral or slightly positive net effect in relation to our latest reported NAV, and will further strengthen our position," says Kestutis Sasnauskas, CEO of Eastnine.

The final sales proceeds may differ slightly from the above. Eastnine's investment in the fund has yielded an average annual return of approximately -1.5% since January 2014.

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Eastnine AB (publ) is a Swedish investment company with a net asset value of EUR 242.5m. The company is currently transitioning into a focused real estate company, with the aim to generate predictable cash flows by being a long-term provider of sustainable prime office space in the Baltic capitals. Eastnine is listed on Nasdaq Stockholm, Mid Cap.