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# Eastnine contemplates an issue of green bonds and announces preliminary financial information

**Eastnine explores the possibilities of issuing a green bond loan and announces preliminary financial information. The proceeds from the bond issue will be applied towards financing of green properties and projects, further enabling the company to continue its ongoing growth journey, within the scope of Eastnine's Green Finance Framework, which has been awarded the rating "Dark Green" and "Excellent" from CICERO.**

## **The contemplated bond issue**

Eastnine has mandated Pareto Securities AB and Skandinaviska Enskilda Banken AB (publ) ("SEB") to arrange a series of fixed income investor meetings for the purpose of exploring the possibility to issue senior unsecured green bonds in an expected volume of up to EUR 50 million and a tenor of three years. Subject to market conditions, a capital markets transaction may follow.

The net proceeds from the bond issue will be used in accordance with Eastnine's Green Finance Framework which has been established pursuant to the industry standard Green Bond Principles, developed by the International Capital Market Association (ICMA), and has undergone an evaluation by an independent third party, CICERO Shades of green. The Framework, and related governance policies and reporting standards, was rewarded the ratings "Dark Green" and "Excellent" by CICERO in September 2020, which is the highest possible rating, further highlighting Eastnine's ambitious and pioneering sustainability work. CICERO Shades of green is a subsidiary of CICERO (Center for International Climate Research) which is an independent climate research institute. The Framework provides Eastnine with the opportunity to issue green bonds, with the condition that the issue proceeds are only used towards financing of eligible green projects and assets as set out in the Green Finance Framework. SEB has acted as advisor to Eastnine concerning the establishment of the Green Finance Framework.

Eastnine has appointed Gernandt & Danielsson Advokatbyrå KB as legal counsel in relation to the contemplated transaction.

EASTNINE AB

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Eastnine's business concept is to be the leading, long-term provider of modern and sustainable office and logistics premises in first-class locations in the Baltics. The company has a clear sustainability agenda with an overarching environmental target to operate a climate-neutral business in 2030. As much as 88 per cent of Eastnine's property portfolio has obtained an environmental certification in accordance with LEED Platinum or BREEAM Excellent and the company aims at obtaining certifications for 100 per cent of the property area, which will not undergo substantial development.

More information regarding Eastnine's Green Finance Framework and CICERO's rating can be found at [www.eastnine.com](http://www.eastnine.com).

### Preliminary financial information

On 3 May 2021, Eastnine announced the acquisition of two properties, whereof one in Vilnius and one in Riga. The acquisitions were completed on 31 May as regards the property Uniq in Vilnius and on 18 June as regards the property Zala 1 in Riga. Following the completion of the acquisitions, rental income in the earning capacity increases to approximately EUR 22.8 million and profit from property management increases to EUR 12.3 million on annual basis.

The value of the property portfolio amounts to approximately EUR 410 million after the acquisitions, other investments to EUR 104 million and liabilities to credit institutions increases to approximately EUR 200 million after acquisition financing and other net financing during the second quarter of 2021.

After the acquisition, the property portfolio comprises of twelve properties with a total lettable area of approximately 130,000 square meters, of which offices make up approximately 95 percent. Vilnius accounts for about 81 percent of the total property value and Riga for approximately 19 per cent. Both Uniq and Zala 1 are certified according to LEED Platinum.

Furthermore, Eastnine has in June extended existing loans in an aggregate amount of EUR 26 million, originally due in September 2021 and September 2022, to mature on 31 December 2024. After the extension, the capital tie-up period is 3.0 years, the fixed interest rate period is 2.1 years and the average interest rate amounts to 2.3 percent.

### Earnings capacity after completion of Uniq and Sala 1 and net financing

EURk	Earning capacity 2021-03-31	Acquisition of Uniq & Zala 1, net financing Q2 2021	Earning capacity after acquisition and net financing
Rental value	22,776	2,200	24,976
Less vacancy value	-2,177	-	-2,177
<b>Rental income</b>	<b>20,599</b>	<b>2,200</b>	<b>22,799</b>
Property costs	-2,100	-100	-2,200
<b>Net operating income</b>	<b>18,499</b>	<b>2,100</b>	<b>20,599</b>
Central administration	-3,600	-	-3,600
Interest expenses	-3,988	- 650	-4,638
Other financial income & expenses	-52	-	-52
<b>Profit from property management</b>	<b>10,859</b>	<b>1,450</b>	<b>12,309</b>

**The Groups consolidated statement of comprehensive income after the completion of the acquisitions of Uniq and Zala 1 and net financing**

EURk	2021-03-31	Acquisition of Uniq & Zala 1	Other net financing Q2 2021	Total
Investment properties	374,200	35,500	-	409,700
Long-term securities holdings	104,093	-	-	104,093
Cash and cash equivalents	24,232	-16,500	9,000	16,732
Other assets	4,152	-	-	4,152
<b>Total assets</b>	<b>506,677</b>	<b>19,000</b>	<b>9,000</b>	<b>534,677</b>
Equity	315,666	-	-	315,666
Liabilities to credit institutions	171,623	19,000	9,000	199,623
Other debt	19,388	-	-	19,388
<b>Total equity and debt</b>	<b>506,677</b>	<b>19,000</b>	<b>9,000</b>	<b>534,677</b>

**Property portfolio per city after the completion of the acquisitions of Uniq and Zala 1**

	Lettable area, sq.m.							
	Office	Retail & service	Other	Total	Vacant area, sq.m.	Occupancy rate, %	Property value, EURm	Share of value, %
Vilnius	104,066	3,628	351	108,045	3,274	97.0	333.9	81
Riga	19,751	2,471	435	22,657	6,762	70.2	75.8	19
<b>Total</b>	<b>123,817</b>	<b>6,099</b>	<b>786</b>	<b>130,702</b>	<b>10,036</b>	<b>92.3</b>	<b>409.7</b>	<b>100</b>

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Visit [www.eastnine.com](http://www.eastnine.com)

*Eastnine AB is a Swedish real estate company with a property value of EUR 374m and a long-term net asset value of EUR 329m as of 31 March 2021. Eastnine's vision is to create and provide prime venues where ideas can flow, people can meet, and successful business can be developed. The mission is that Eastnine shall be the leading long-term provider of modern and sustainable office and logistics premises in prime locations in the Baltics. Eastnine is listed on Nasdaq Stockholm Mid Cap, sector Real Estate.*

*This information is information that Eastnine AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out above, at 7.00 p.m CEST on 20 June 2021.*