

EASTNINE INTERIM REPORT

# January–June 2023





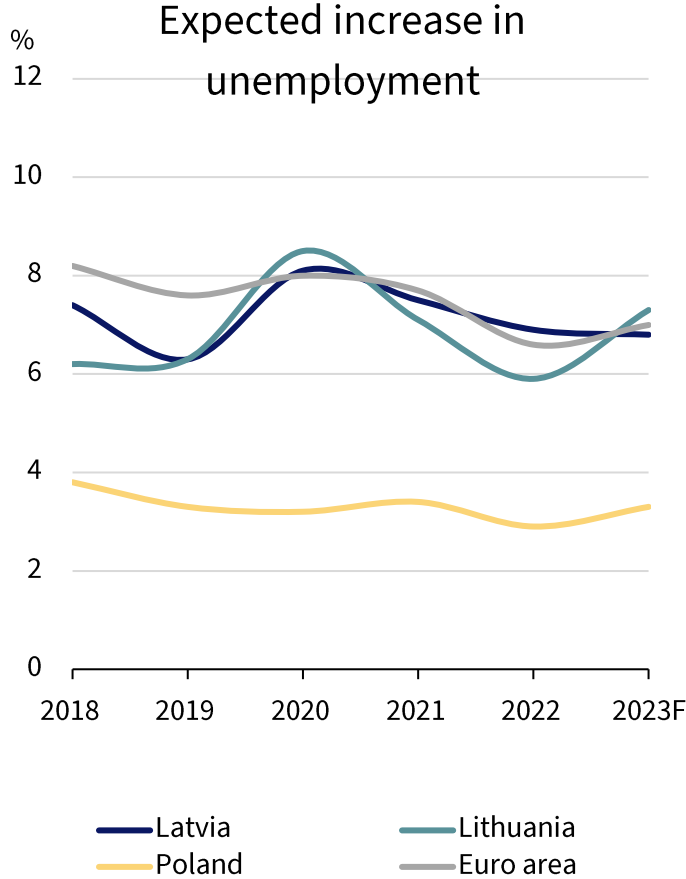
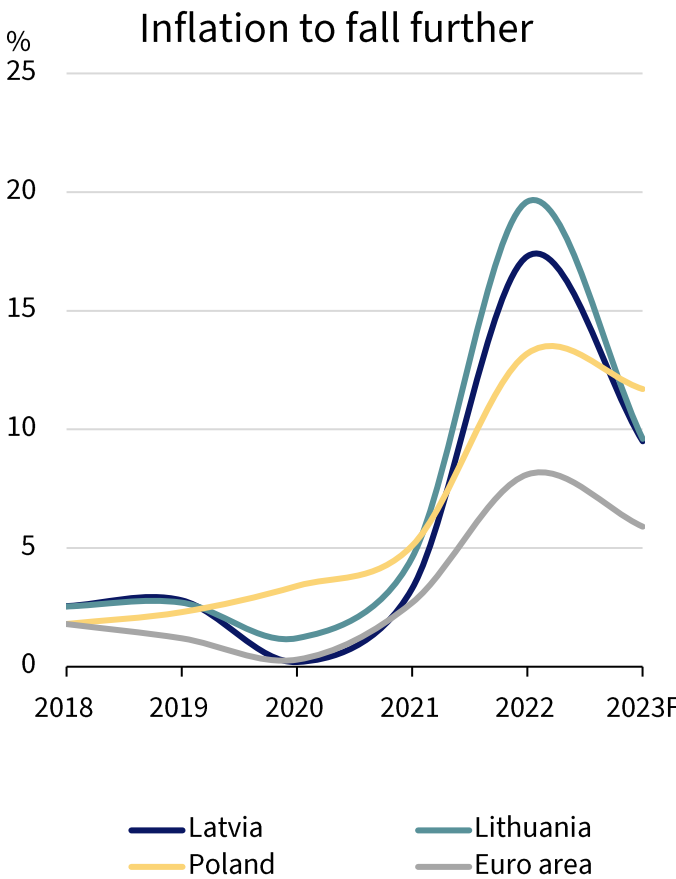
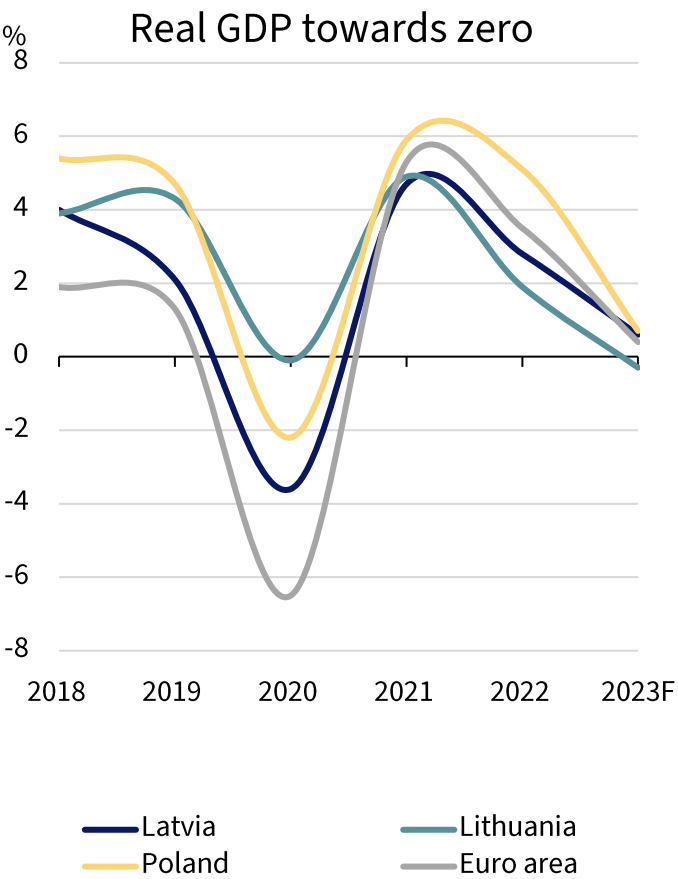
# Highlights

- New records for the period January-June:
  - Net operating profit +41 %
  - Profit from property management +49 %
- Mixed outcome, Q2 vs Q1:
  - Net operating profit +2 %
  - Profit from property management -10 %
- Negative unrealised value changes during the period
  - Properties: -4.1 %
  - Investment in MFG: -16 %
- Refinanced, and at the same time increased, all loans maturing 2023.
- Eastnine was placed no. 1 in the Allbright Foundation's comparison of gender equality.



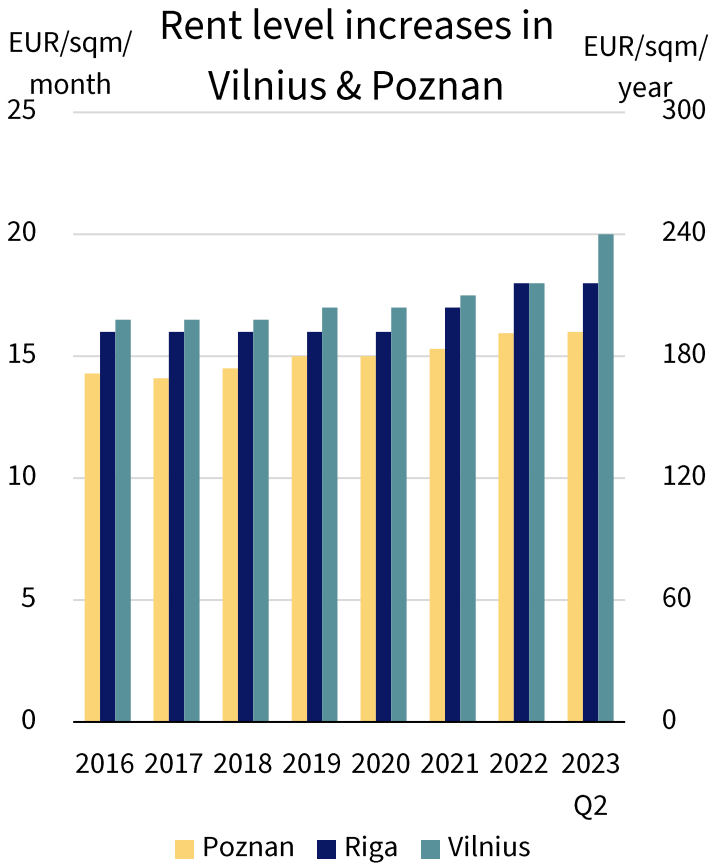
# **Economic outlook & real estate markets**

# Macroeconomic outlook

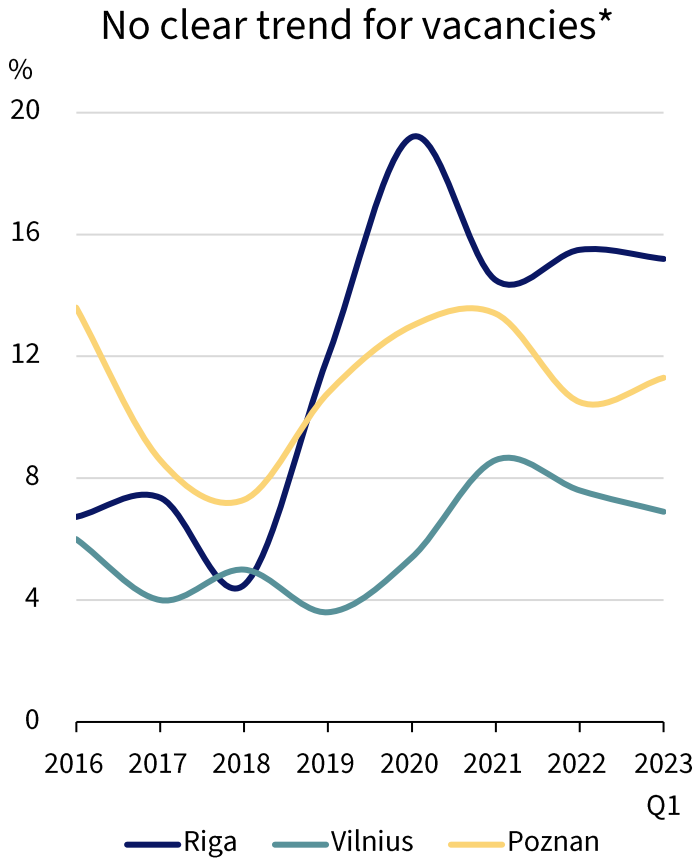


Source: Eurostat, European Commission, Swedbank

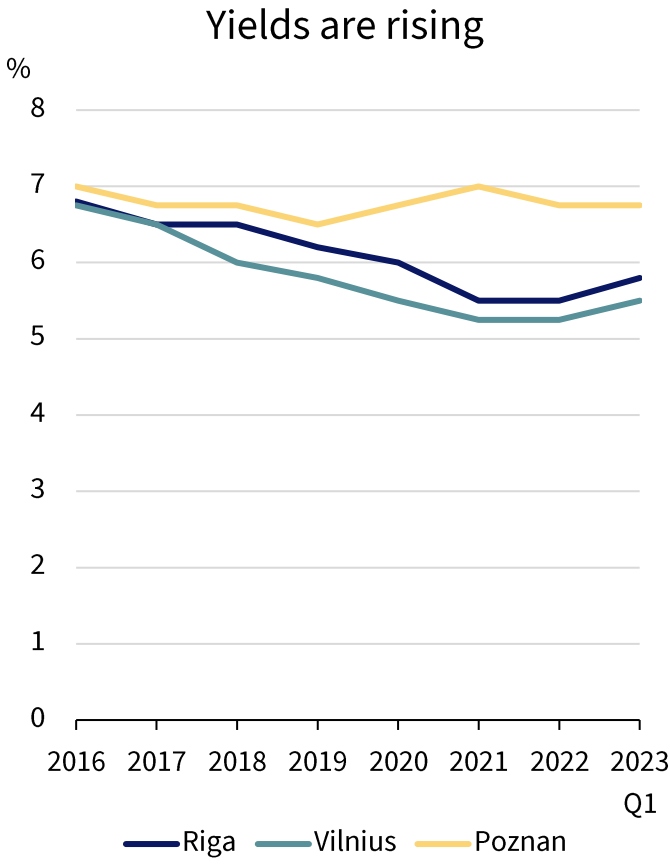
# Prime offices



Source: Colliers, JLL, Cushman & Wakefield



\* All office categories



# Properties and tenants

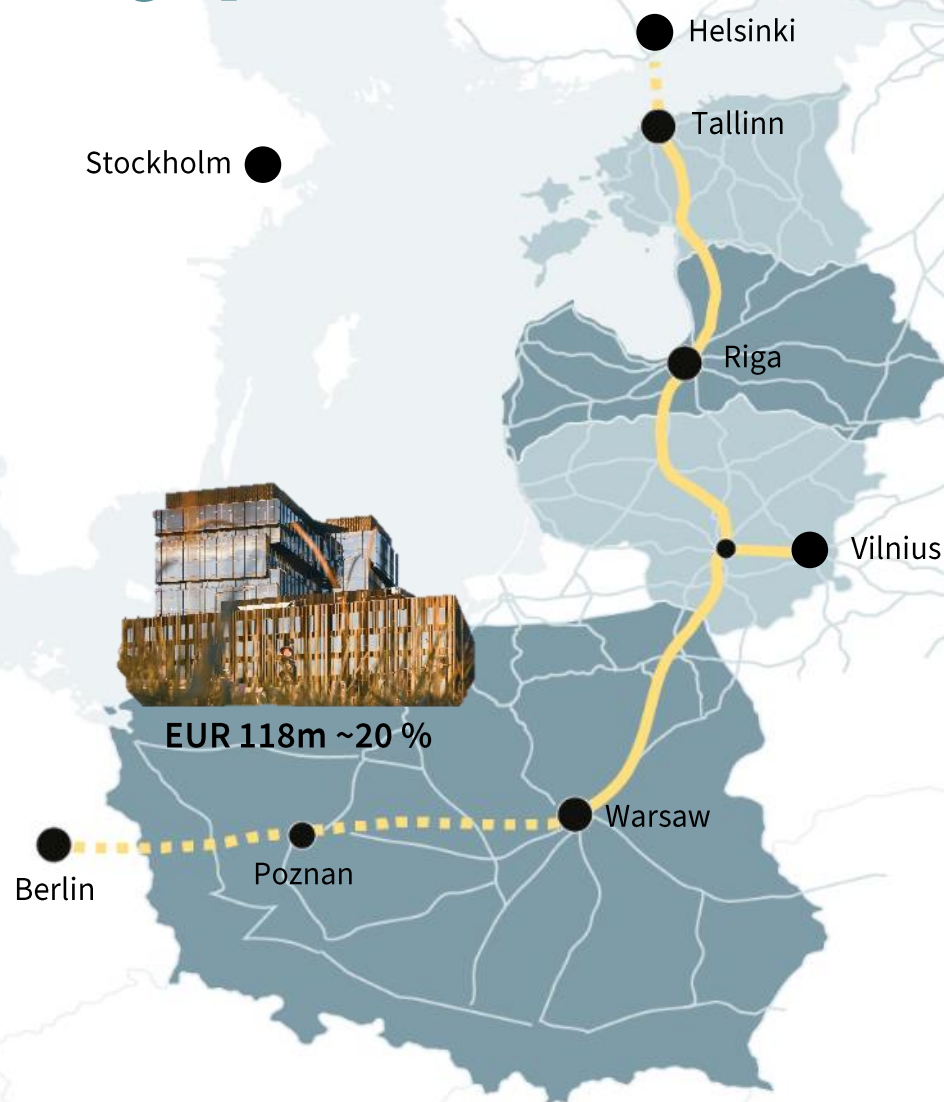


# Eastnine's property portfolio

14 properties

183,000 sq.m.

EUR 582m



EUR 78m ~13 %

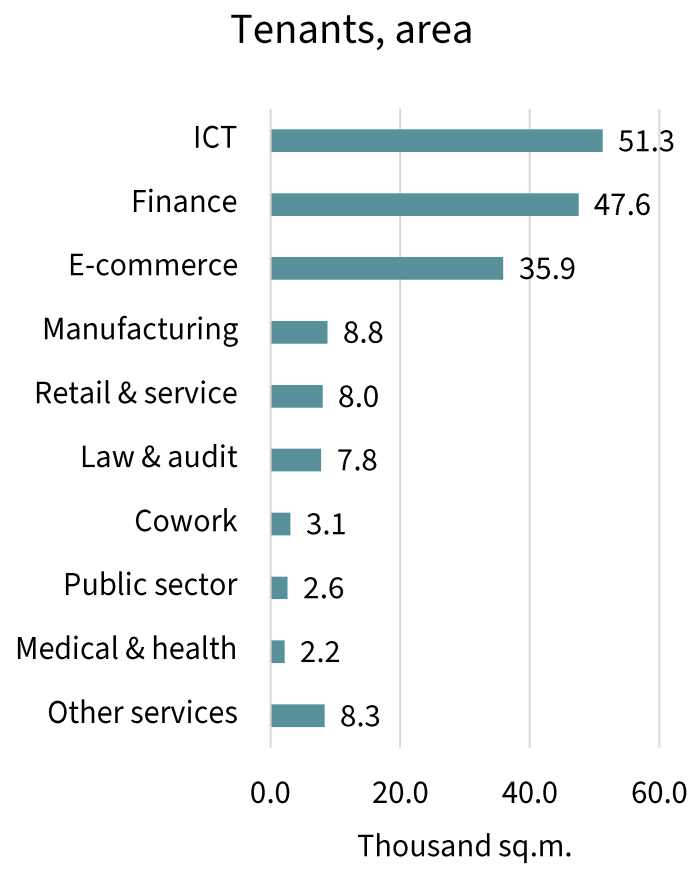
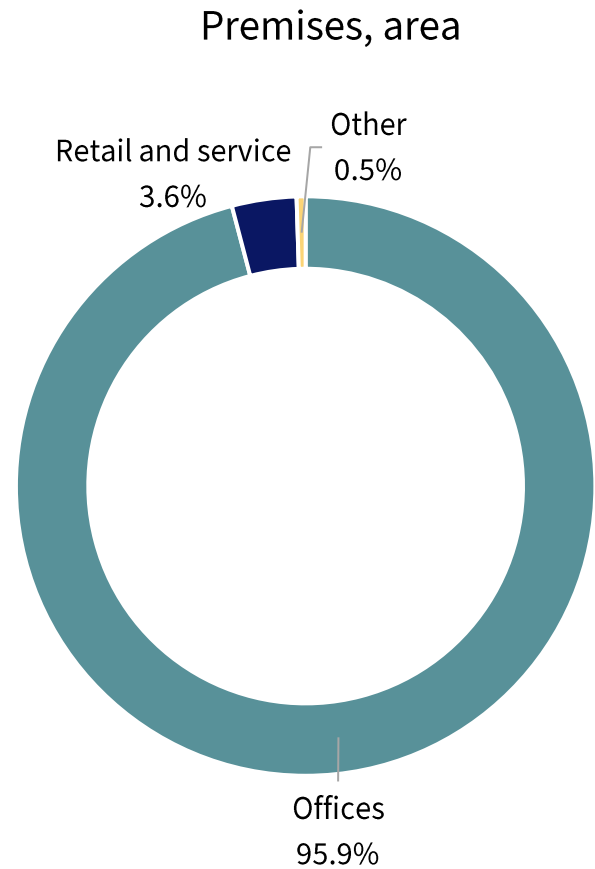


EUR 387m ~67 %

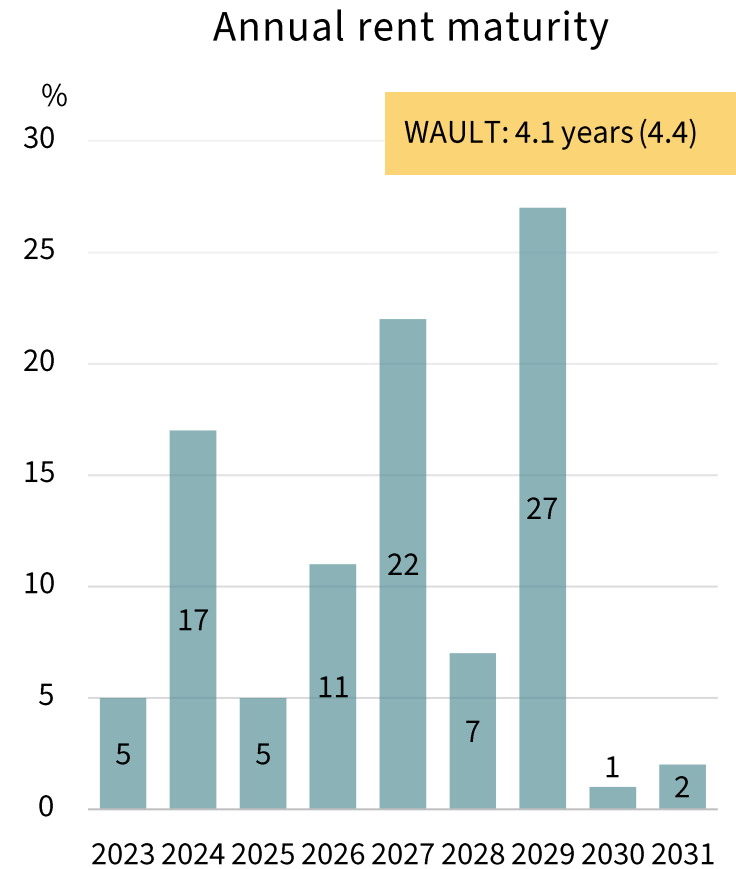


EUR 118m ~20 %

# Tenants and rents



Surplus ratio: 93 % (89)  
Rent level: 193 EUR sq. m./year (183)



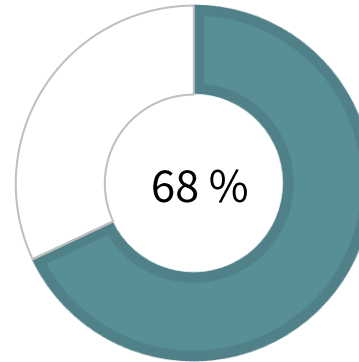


# Sustainability & real estate

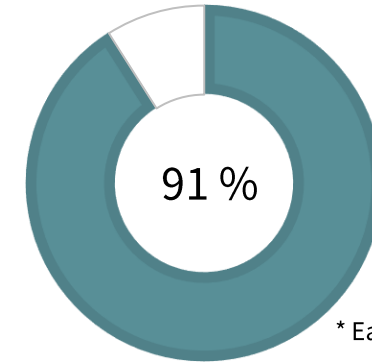
Certified property area



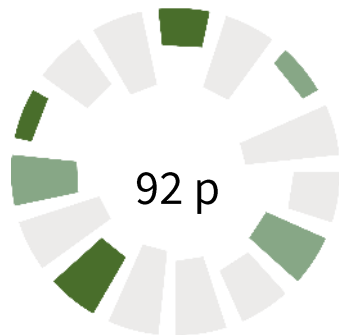
Green lease agreements



EU Taxonomy aligned turnover\*



\* Eastnine's estimate



G R E S B  
★★★★★ 2022

**ALLBRIGHT**

1 place out of 361 listed companies



Trust index 95 %

# Financial overview

# Income Statement - highlights

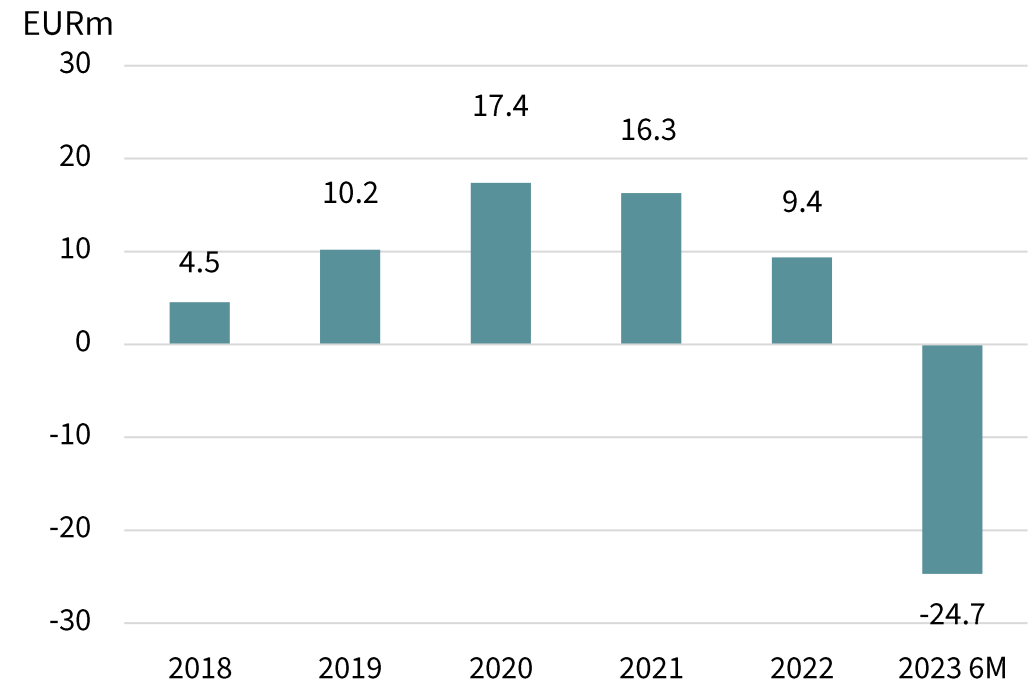
EURk	Q2 2023	Q2 2022	Change, %	Jan-Jun 2023	Jan-Jun 2022	Change, %
Rental income	9,092	7,350	+24	18,143	13,576	+34
Property expenses	-537	-797	-33	-1,213	-1,527	-21
<b>Net operating income</b>	<b>8,555</b>	<b>6,553</b>	<b>+31</b>	<b>16,930</b>	<b>12,049</b>	<b>+41</b>
Central administration expenses	-1,015	-1,075	-6	-1,924	-2,094	-8
Interest expenses	-3,290	-2,229	+48	-6,185	-3,976	+56
Other financial income/expenses	-148	-118	+25	-171	-170	+1
<b>Profit from property management</b>	<b>4,102</b>	<b>3,131</b>	<b>+31</b>	<b>8,651</b>	<b>5,810</b>	<b>+49</b>
Unrealised value changes properties	-7,891	10,031		-24,702	10,002	
Unrealised value changes investments	-31,296	62,756		-31,296	18,412	
Unrealised value changes derivatives	131	2,757		-1,173	5,043	
Realised value changes/received dividend	-106	92		338	6,552	
<b>Profit before tax</b>	<b>-35,060</b>	<b>78,766</b>		<b>-48,182</b>	<b>45,819</b>	
Current tax	-93	-48		-183	-48	
Deferred tax	285	-2,114		1,789	-2,461	
Translation differences for foreign operations	110	0		332	0	
<b>Total comprehensive income for the period</b>	<b>-34,757</b>	<b>76,603</b>		<b>-46,244</b>	<b>43,311</b>	

- Profit from property management increased by 49 % during the period and 31 % during the quarter.
- Larger property portfolio affected mainly the rental income and interest expenses.
- Higher rent levels and lower costs for energy had a positive effect on the profit and a higher interest rate level a negative.
- Negative unrealised value changes for both properties and MFG.



# Unrealised value changes properties

- Negative unrealised value changes: EUR 24.7m, corresponding to -4.1 %.
- Main reasons:
  - Negative effect from an increase in weighted yield requirement: +0.5 %-points to 6.1 %
  - Positive effect from an increase in average market rent: +0.4 EUR/sq. m./month to EUR 16.0 .
- Negative unrealised value changes H1 2023 on the same level as the total positive unrealised value changes for 2021 & 2022.



# Earning capacity properties

EURk	2023-06-30	2023-03-31	Change, %
Rental value	37,807	37,829	0
Less vacancy values	-1,383	-1,269	+9
<b>Rental income</b>	<b>36,424</b>	<b>36,560</b>	<b>0</b>
Property expenses	-2,498	-2,900	-14
<b>Net operating income</b>	<b>33,926</b>	<b>33,660</b>	<b>+1</b>
Central administration	-4,054	-3,800	+7
Interest expenses	-13,331	-12,253	+9
Other financial income & expenses	-311	-260	+20
<b>Profit from property management</b>	<b>16,230</b>	<b>17,347</b>	<b>-6</b>

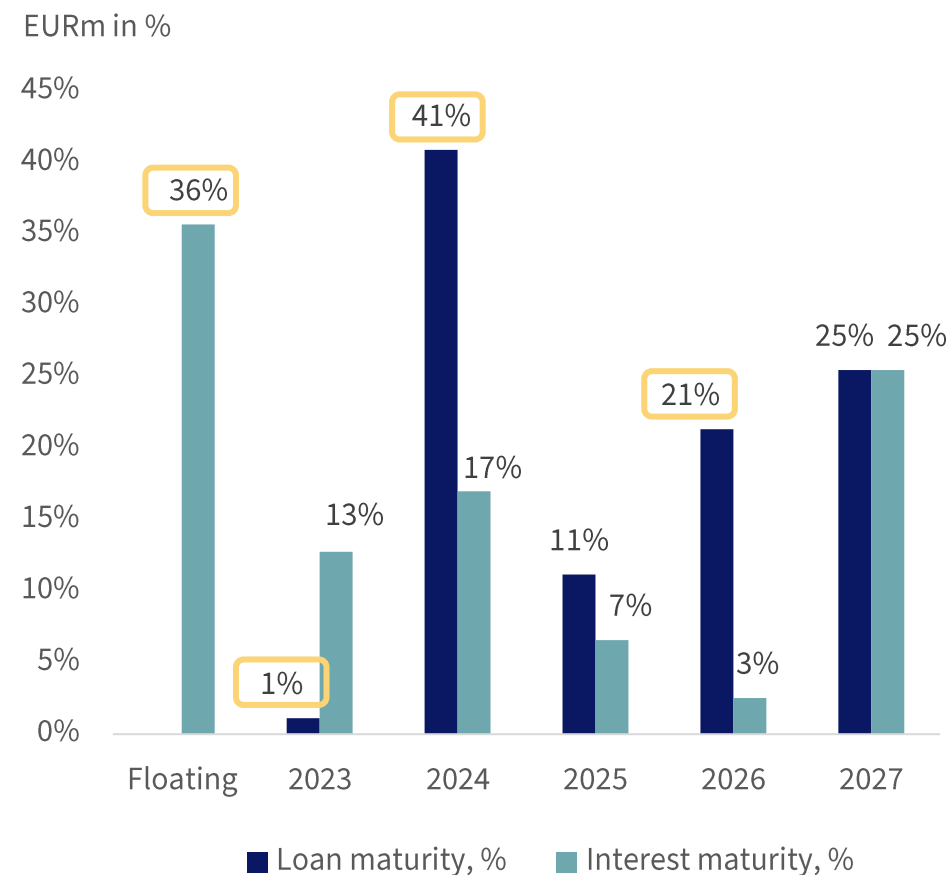
- Rental value and rental income are basically unchanged compared to the first quarter.
- The vacancy value has increased due to the decreased occupancy rate during the quarter.
- Property expenses have decreased, among other things, due to lower electricity and heating costs as well as low costs for repair and maintenance.
- Central administration costs have increased, mainly due to changed calculation assumptions.
- Interest expenses have increased as a result of new loans and higher interest rates.
- The profit from property management has decreased, mainly due to increased interest expenses.

# Financing structure

## Key figures

	2023-06-30/ Jan-Jun 2023	2022-12-31/ Jan-Jun 2022
Interest rate level, %	4.0	3.4
Net LTV properties, %	52	51
Equity/asset ratio, %	54	57
ICR, %	2.4	2.5
Average loan maturity, years	2.4	2.3
Average interest maturity, years	1.5	1.8

## Loan maturity (including amortisations) and interest maturity





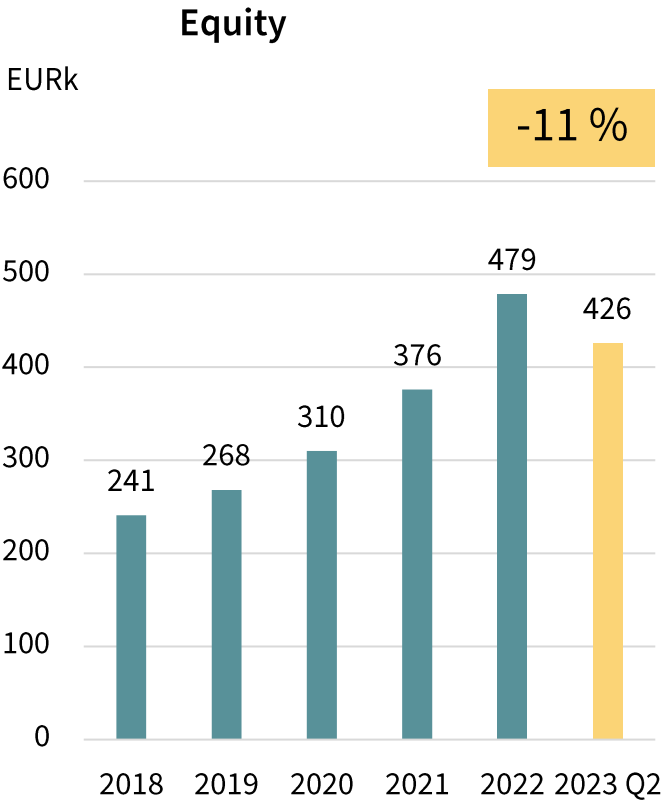
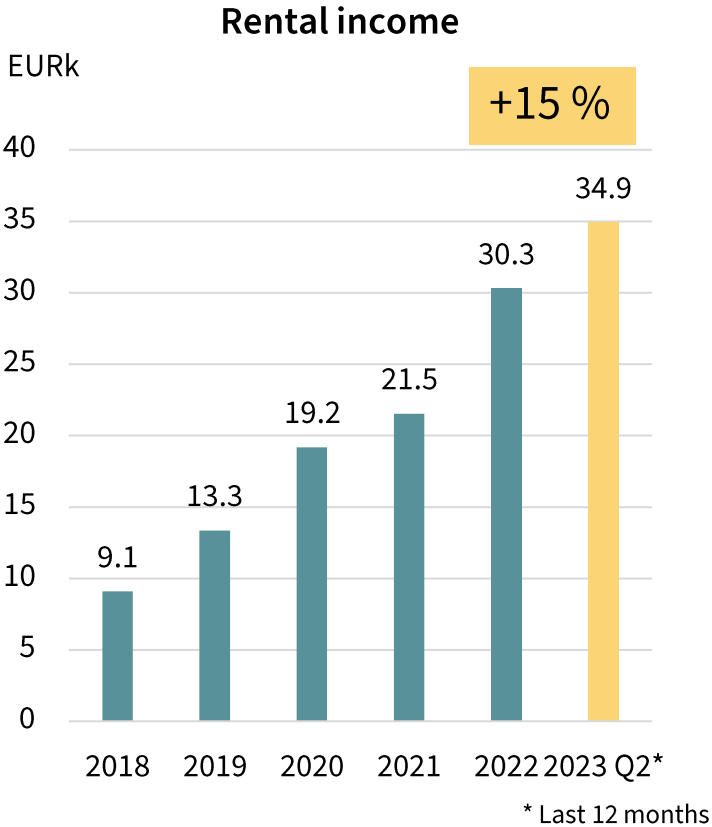
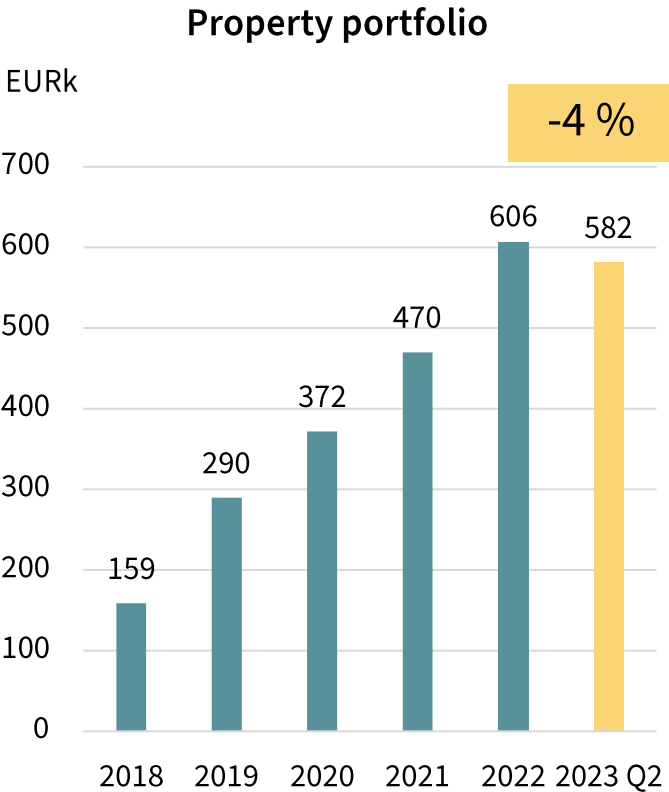
# Shareholders

- Shareholding by the end of May
  - ~5,500 shareholders
  - ~80 % Swedish shareholding
  - Three major shareholders owned 49.6 %
- Bonnier Fastigheter Invest announced, at the end of June, the acquisition of 778 096 shares, 3.5 %, in Eastnine. New ownership 17.2 %.

Shareholders May 31, 2023	Shareholding, %	Change 2023 p.p.
Peter Elam Håkansson <sup>1</sup>	25.9%	0.0
Bonnier Fastigheter Invest AB <sup>2</sup>	13.7%	0.0
Arbona AB (publ)	10.0%	0.0
Kestutis Sasnauskas	4.3%	0.0
Patrik Brummer	3.7%	0.0
Lazard Asset Management	3.5%	-1.5
Avanza Pension	2.4%	0.0
Karine Hirn	1.8%	0.0
Nordnet Pensionsförsäkring	1.8%	0.0
Dimensional Fund Advisors	1.5%	0.0
Staffan Malmer	1.2%	+0.1
CARN Capital	1.1%	0.0
Gustaf Hermelin	0.9%	0.0
Albin Rosengren	0.9%	0.0
Jacob Grapengiesser	0.8%	0.0
<b>15 largest</b>	<b>73.5%</b>	<b>-1.3</b>
Eastnine AB (repurchased shares)	0.7%	0.0
Other	25.8%	+1.3
<b>Total</b>	<b>100.0%</b>	<b>0.0</b>

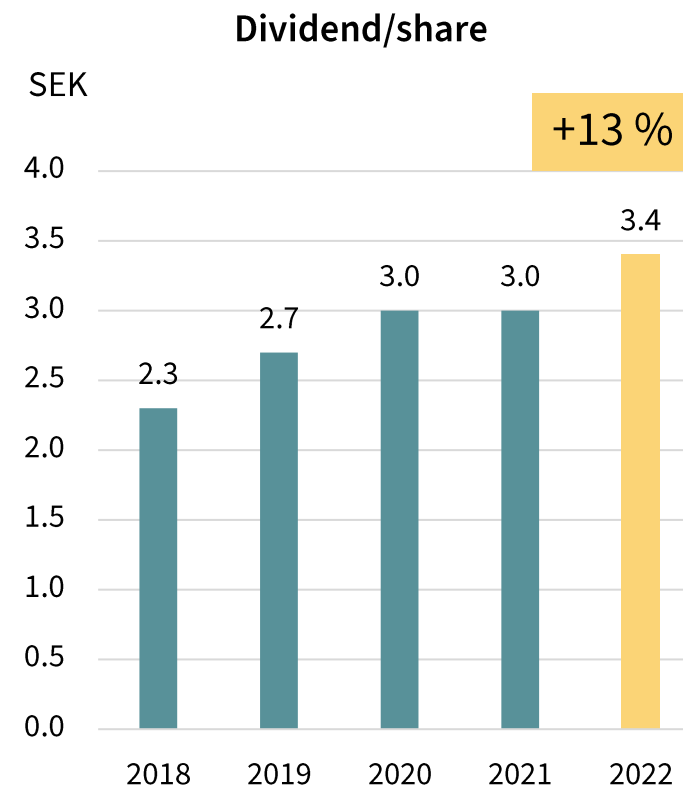
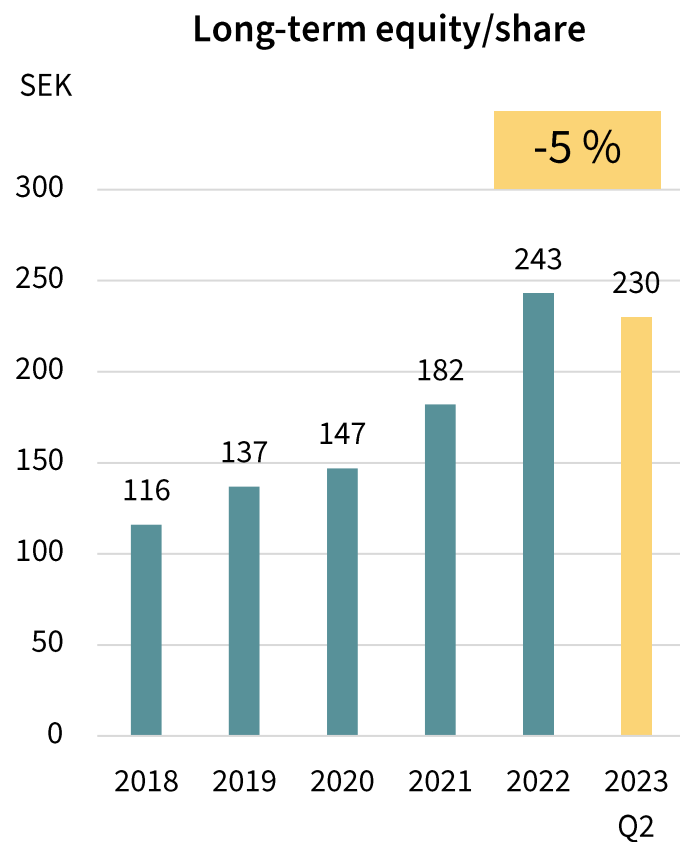
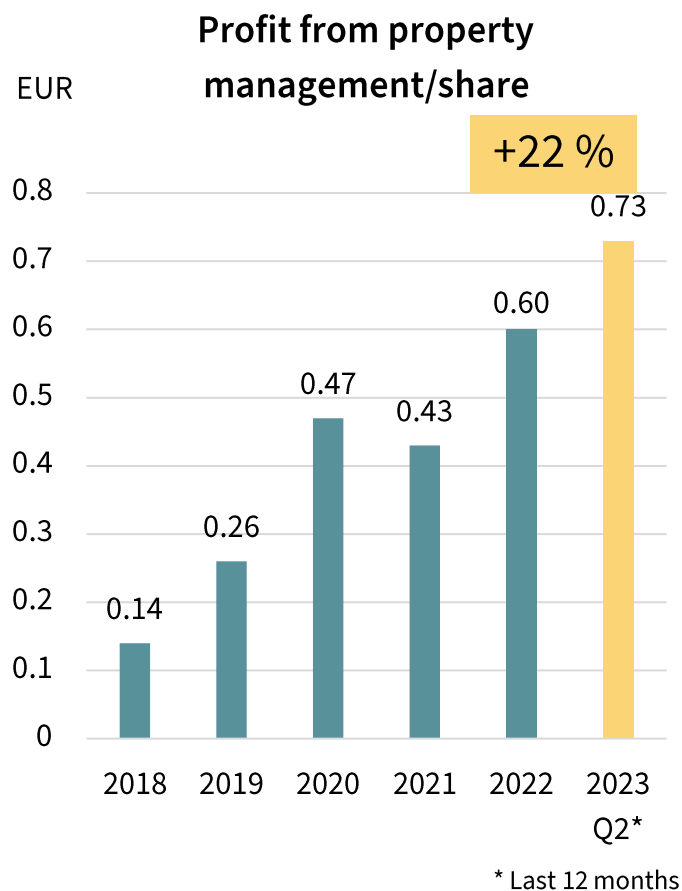
# Our growth journey

# Income and value





# Profitability and value per share





# An investment in Eastnine

## 1. Unique portfolio

- Modern office properties in prime locations.
- Geographic focus: Baltics and Poland.

## 2. Strong and stable cash generation

- High property yield compared to the Nordics.
- Strong, international tenants with long leases.

## 3. Leading in sustainability

- Portfolio with high environmental certification level.
- Top results in sustainability surveys.

## 4. Ambition to grow

- A larger property portfolio improves profitability.
- Divestment of MFG could mean a substantial increase.



