

Eastnine AB

# Interim report January-March 2025



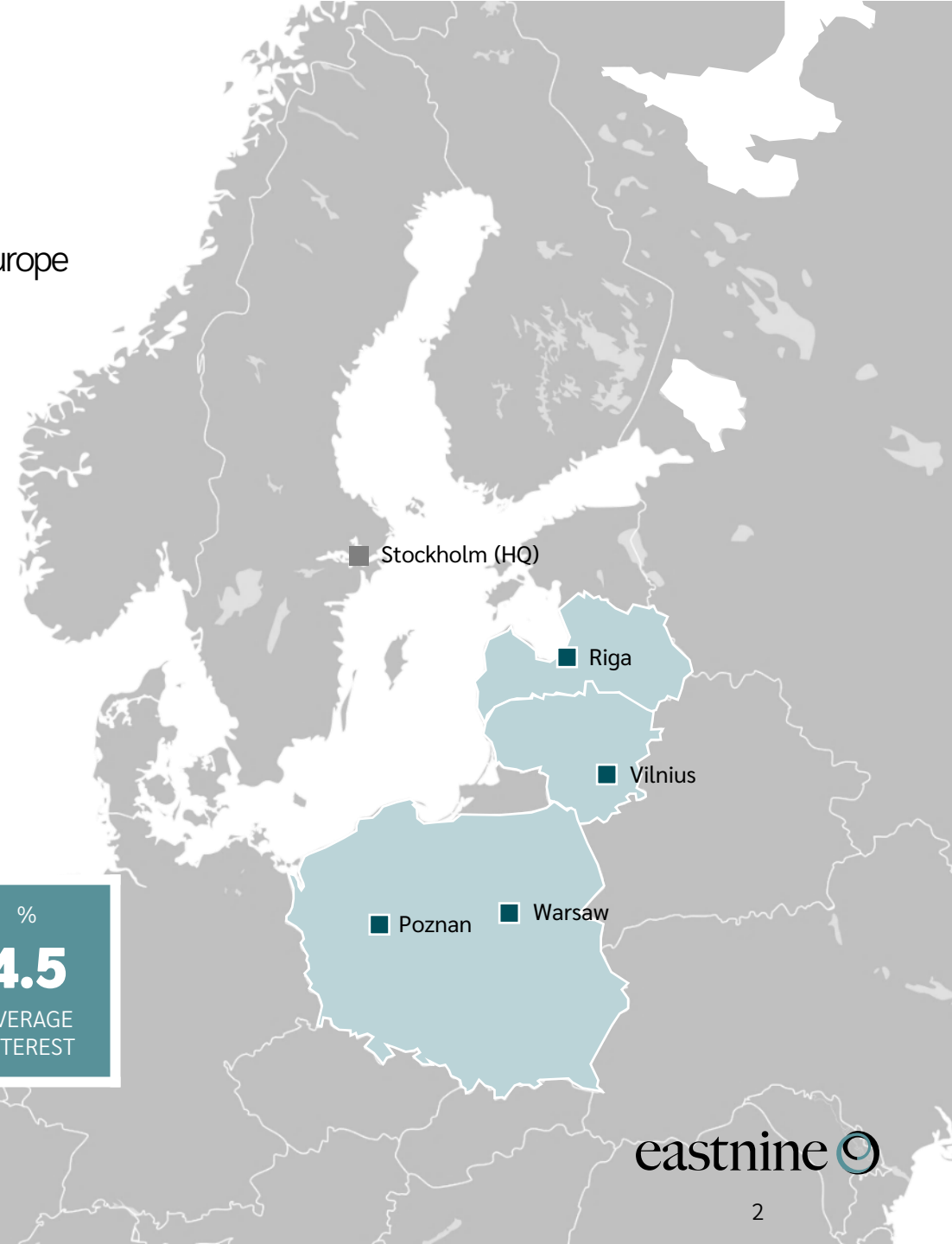
# Eastnine at a glance

Building a leading prime office real estate company in the fastest growing part of Europe

Prime office Segment      Poland, Lithuania, Latvia Geographies      Nasdaq Stockholm Mid Cap Stock Exchange

Swedbank    Danske Bank    Vinted    moderna    PANATTONI  
warta.    CBRE    ROCKWOOL    Telia    INL TECHNOLOGY  
McKinsey&Company    amazon    allegro    twoday    CITCO

SQ.M. 000	EURm	%	EURm	%	%	%
<b>272</b>	<b>956</b>	<b>96</b>	<b>62</b>	<b>6.5</b>	<b>48</b>	<b>4.5</b>
LEASABLE AREA	PROPERTY VALUE	ECONOMIC OCCUPANCY	ANNUAL RENT	YIELD	LOAN TO VALUE	AVERAGE INTEREST



# Highlights for the quarter

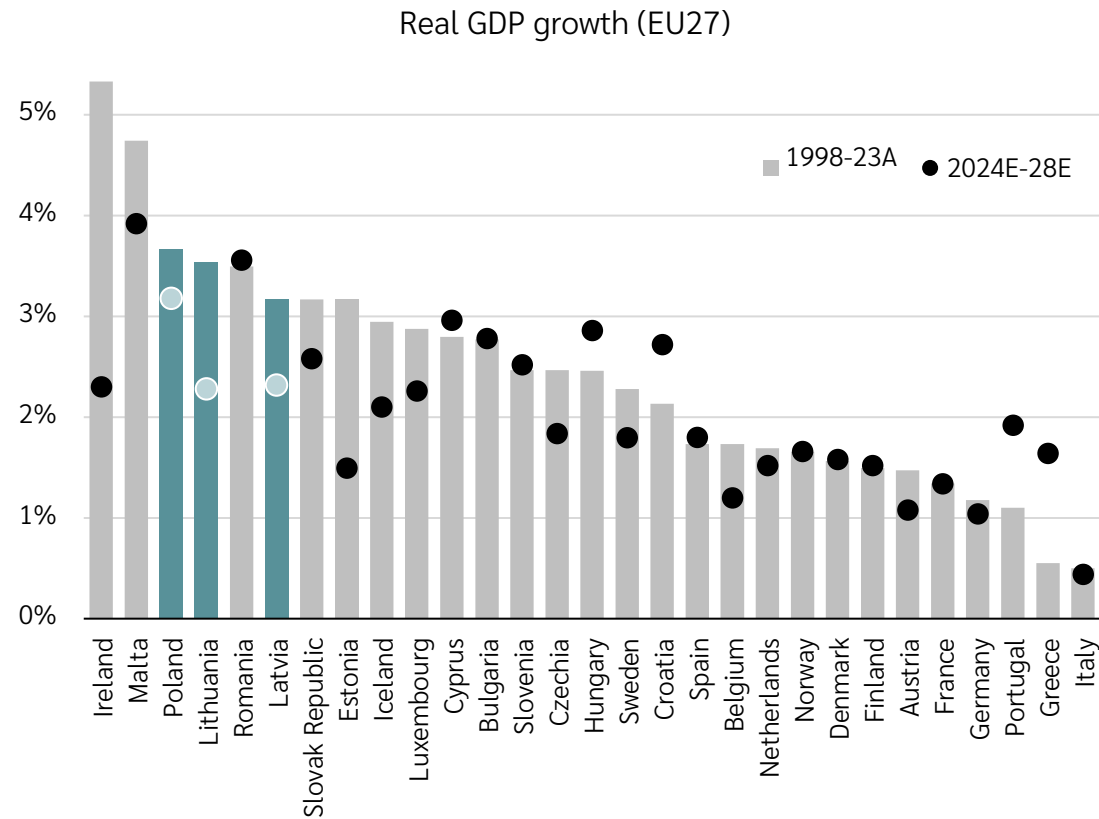
- **Increase in Net operating income**
  - EUR 14.7m +75 %
- **Record for Profit from property management**
  - Total: EUR 7.8m +46 %
  - Per share: EUR 0.08 +33 %
- **Positive net letting**
  - EUR 219k
- **Value growth for properties:** EUR ~20m to EUR 956m, due to unrealised value changes in Poland.
- **Stable Occupancy ratio:** -0.1 %-unit to 96.0 %.
- **Higher Surplus ratio:** +1.7 %-unit to 93.9 %.
- **Proposed dividend:** Increase to SEK 1.20 per share (1.16), with quarterly instalments of SEK 0.30 per share.



# Key target markets

# Consistently high GDP growth

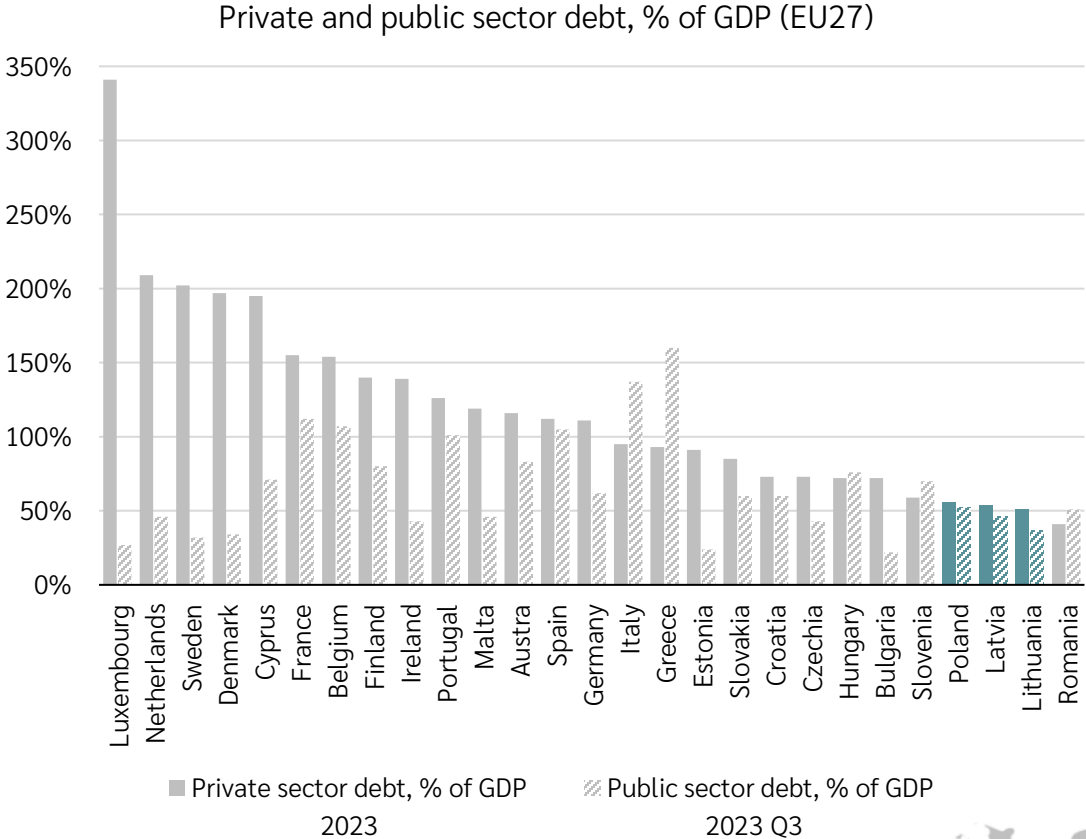
Poland is now the 6th largest and the fastest growing major economy in the EU



Source: Eurostat, IMF

# Low debt to GDP

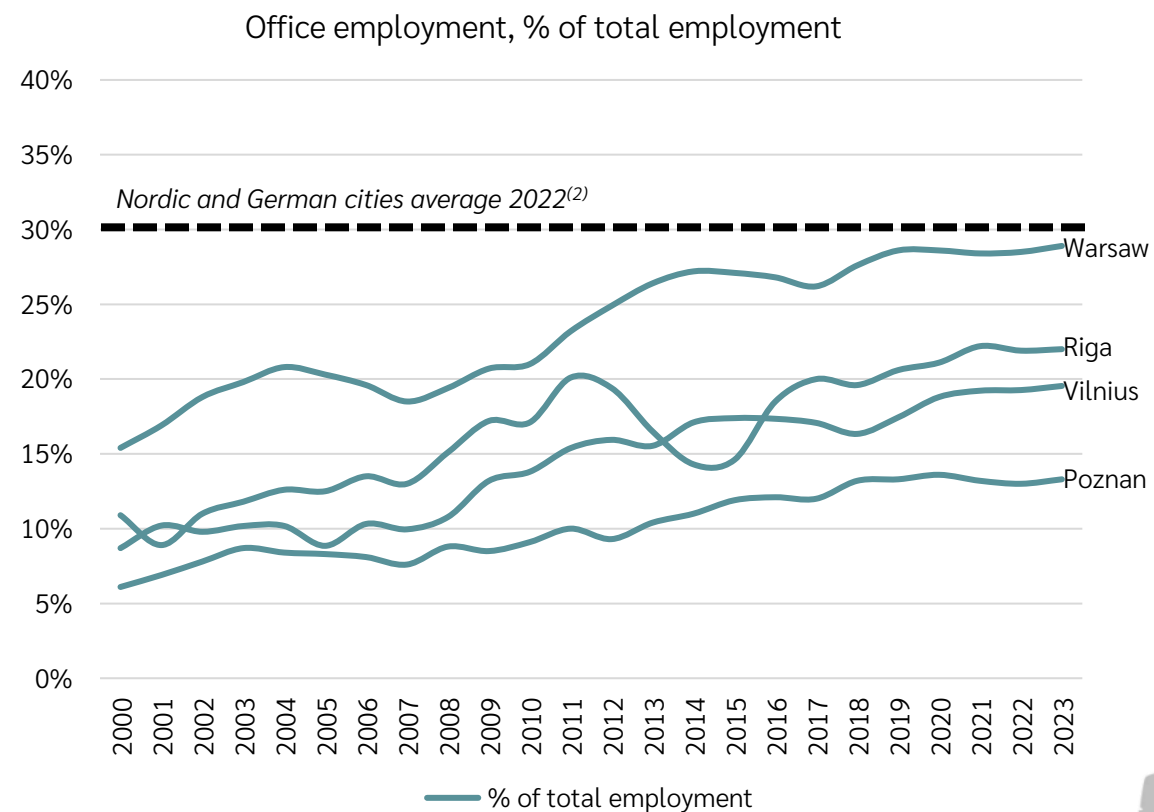
Further economic potential from higher private and public debt



Source: Eurostat

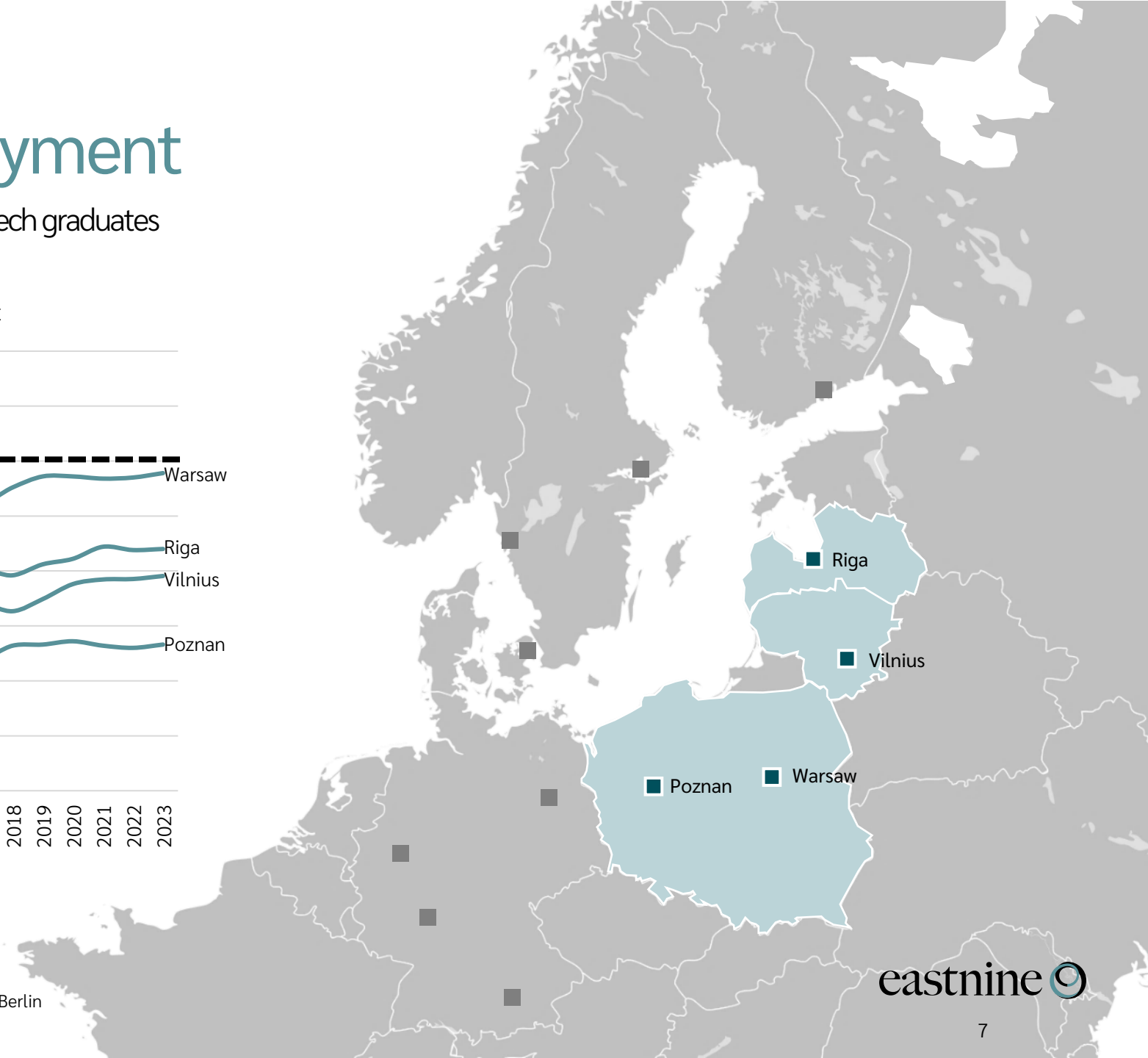
# Growing office employment

Expanding service sectors, fueled by high number of tech graduates



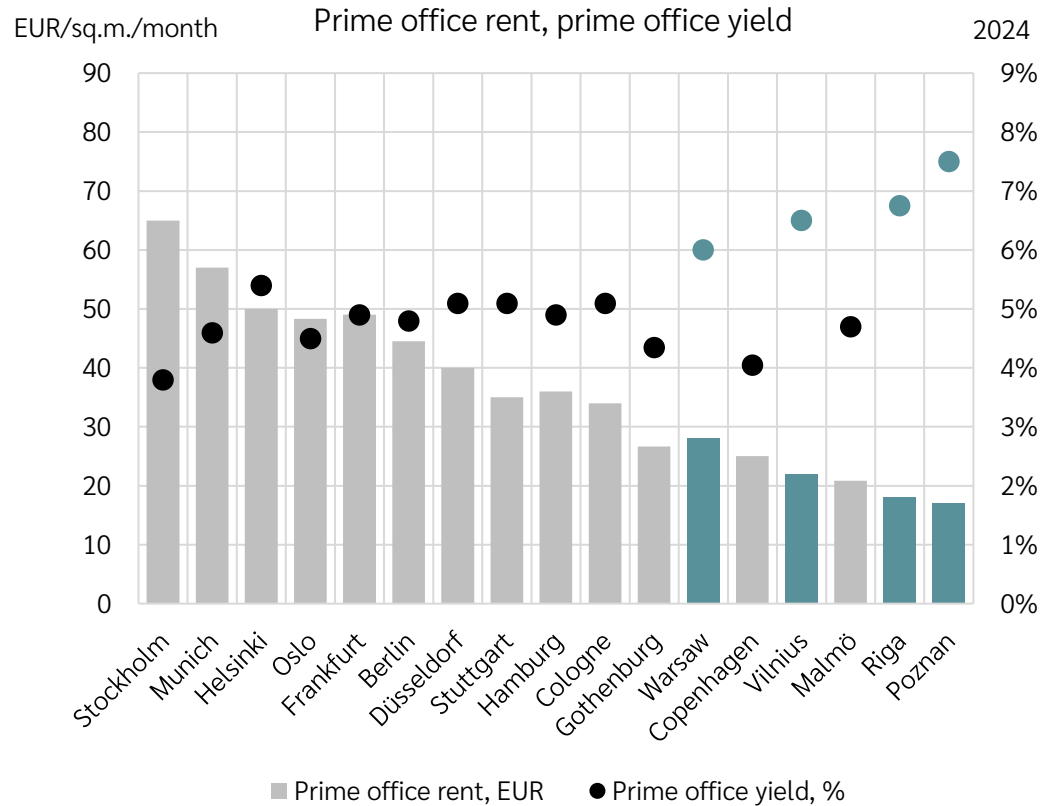
Source: Eurostat

- 1) Employment in IT, financial, scientific, administrative sectors
- 2) Weighted-average (by population) for Stockholm, Helsinki, Copenhagen and Berlin



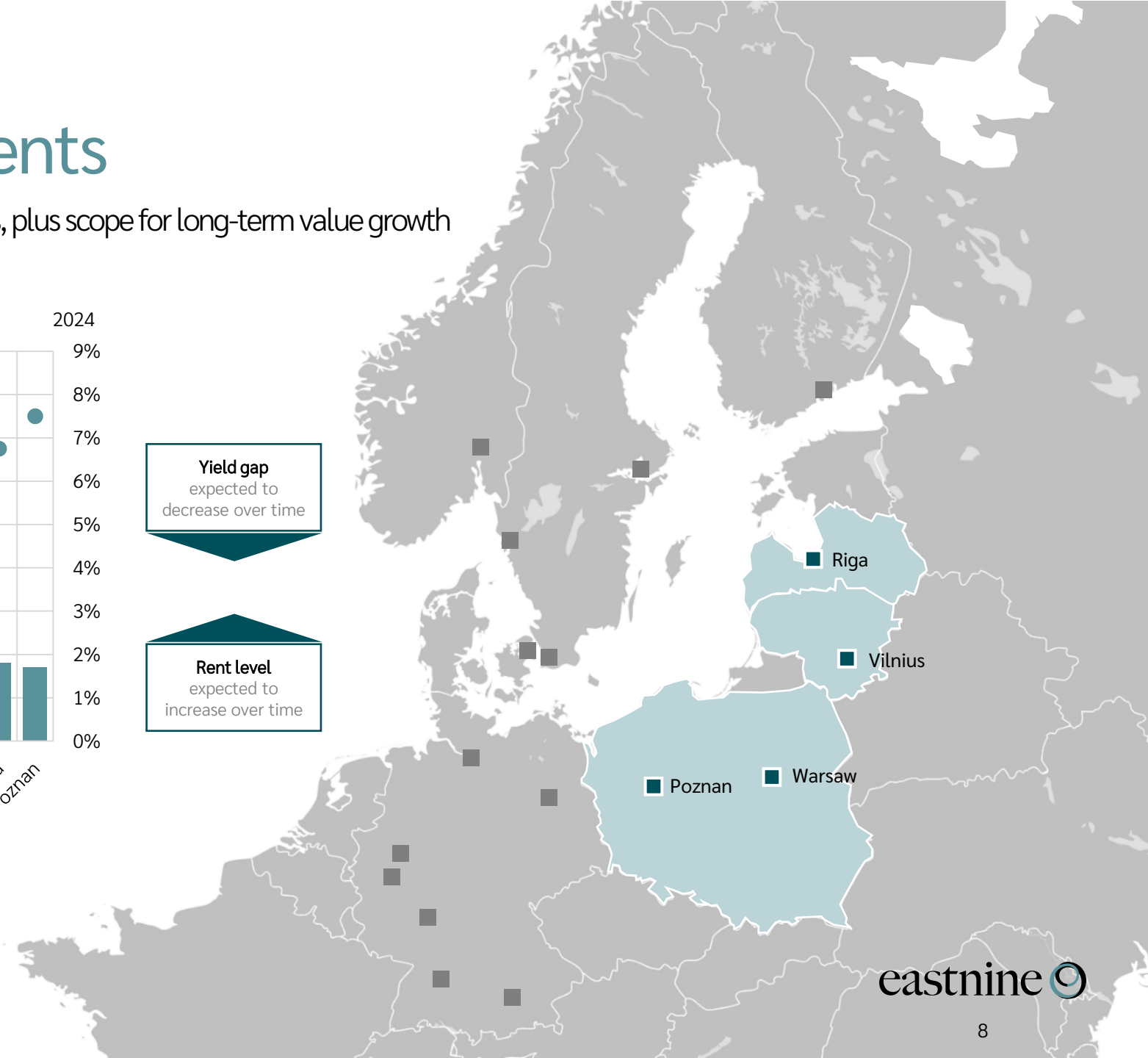
# Higher yields, lower rents

Same cost of debt translating into higher cash returns, plus scope for long-term value growth



Yield gap  
expected to  
decrease over time

Rent level  
expected to  
increase over time




Source: JLL, Colliers, Newsec, CBRE



# Property portfolio and operations

# Portfolio overview (1/2)

Growing diversification – 16 standing prime office assets, whereof 1 project property<sup>(1)</sup>

 120,900 sq.m.

 22,500 sq.m.

 128,200 sq.m.



**Uptown Park**  
12,700 sq.m.



**3Bures-1,2**  
28,200 sq.m.



**3Bures-3**  
13,400 sq.m.



**3Bures-4**  
Planned extension



**Alojas Biroji**  
10,100 sq.m.



**The Pine**  
Planned extension



**Nowy Rynek D**  
39,300 sq.m.



**Uniq**  
6,900 sq.m.



**Vertas-1**  
9,500 sq.m.



**Vertas-2**  
7,600 sq.m.



**Zala 1**  
3,600 sq.m.



**Kimmel**  
Planned project



**Nowy Rynek E**  
28,800 sq.m.





**S7-1**  
12,100 sq.m.



**S7-2**  
16,000 sq.m.



**S7-3**  
14,500 sq.m.

 Add-on/extension projects  
 Stand-alone plot



**Valdemara Centrs**  
8,800 sq.m.



**Warsaw Unit**  
60,100 sq.m.

Note: (1) Additional two planned projects, 3Bures-4 and The Pine, which are add-on/extension projects to 3Bures-3 and Alojas Biroji respectively.

# Portfolio overview (2/2)

Prime office portfolio with 16 assets and 271,600 sq.m. of lettable area

## Key figures Q1 2025

**EUR 956m**  
Property value

**16**  
Properties

**271,600 sq.m.**  
Lettable area

**EUR 3,500**  
Value per sq.m.

**EUR 61.7m**  
Annual rent

**EUR 64.3m**  
Rental value

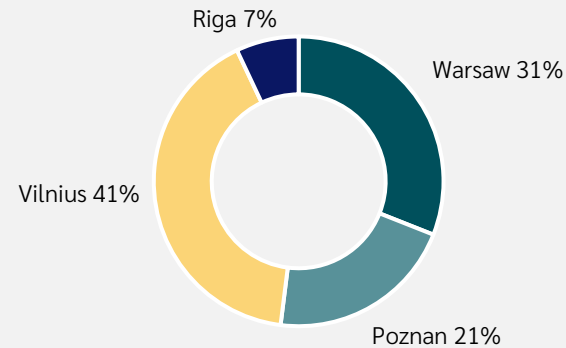
**4.0 yrs**  
WAULT

**7.5 yrs**  
Average property age

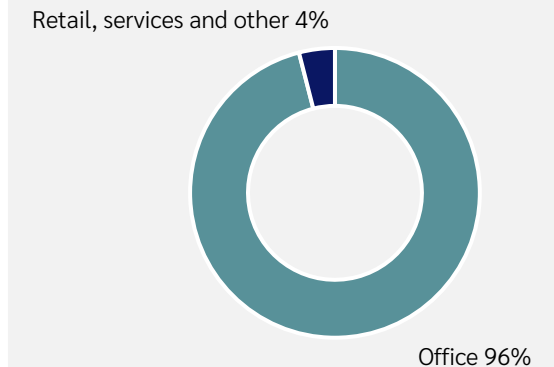
**6.5 %**  
Yield requirement valuations

**96.0 %**  
Occupancy rate

## Property value by market 2025-03-31



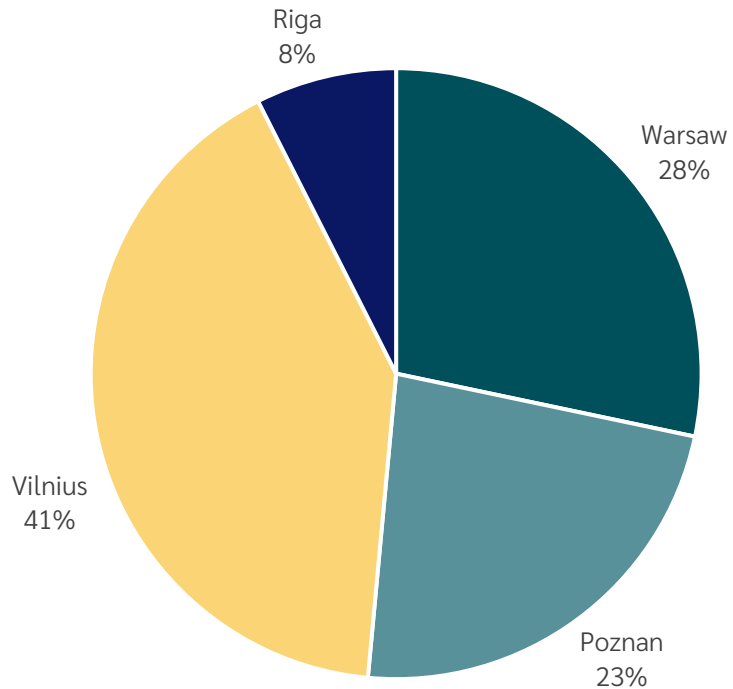
## Property value by type of premises 2025-03-31



# Rents and tenants

Strong and diversified multi-national tenant base

Rental value per city  
Q1 2025



4.0 yrs  
WAULT

221 EUR/sq.m/year  
Average rent

+200  
tenants

	Tenants	% of total annual rent
1	<b>warta.</b>	11
2	<b>allegro</b>	10
3	<b>Danske Bank</b>	9
4	<b>Telia</b>	5
5	<b>Vinted</b>	3
6	<b>McKinsey&amp;Company</b>	3
7	<b>Swedbank</b>	3
8	<b>CBRE</b>	2
9	<b>ROCKWOOL</b>	2
10	<b>moderna</b>	2
11	<b>stryker</b>	2
12	<b>amazon</b>	2
13	<b>IMPERIAL BRANDS</b>	1
14	<b>ONNI OFFICE</b>	1
15	<b>CITCO</b>	1
<b>Top 15</b>		<b>57</b>

# Sustainability – ambition to be a leader

Sustainability certification

 100 %

GRESB, 92 points



Reduced energy use

kWh/sq.m.

40

35

30

25

20

15

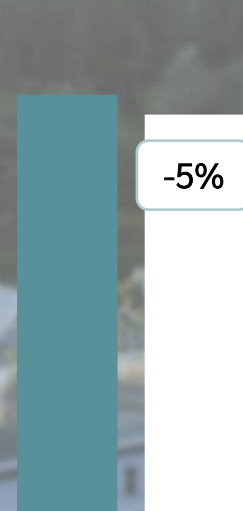
10

5

0



Total energy use



Energy use, excl. tenant electricity

■ Jan-Feb 2024

■ Jan-Feb 2025

Green financing

€ 78 %

Green leases

 45 %



Taxonomy alignment

 82 %

# Board of Directors and Executive Management

Experienced team of real estate and investment professionals

## Board of Directors

<p><b>Liselotte Hjorth</b></p>  <p>Chair since 2018, BoD since 2014</p> <p><b>Experience:</b></p> <ul style="list-style-type: none"> <li>+30 years in capital markets</li> <li>Previously Deputy CEO at SEB, incl. Head of Global Commercial Real Estate Div.</li> </ul> <p><b>Shareholdings<sup>(2)</sup>:</b> 56,000</p>	<p><b>Peter Elam Håkansson</b></p>  <p>BoD since 2014</p> <p><b>Experience:</b></p> <ul style="list-style-type: none"> <li>+30 yrs in Emerging markets</li> <li>Founder, Chairman and CIO East Capital. Prev. Nordic Head of Equities, SEB</li> </ul> <p><b>Shareholdings<sup>(2)</sup>:</b> 25,411,064</p>	<p><b>Christian Hermelin</b></p>  <p>BoD since 2020</p> <p><b>Experience:</b></p> <ul style="list-style-type: none"> <li>+30 yrs in real estate</li> <li>Previously CEO, Fabega 2007–2019</li> <li>Storheden and Wihlborgs</li> </ul> <p><b>Shareholdings<sup>(2)</sup>:</b> 97,456</p>
<p><b>Hanna Loikkanen</b></p>  <p>BoD since 2023</p> <p><b>Experience:</b></p> <ul style="list-style-type: none"> <li>+30 yrs in emerging markets</li> <li>CIO of Finnfund. Previously at SEB, Nordea, FIM Group and East Capital in Russia</li> </ul> <p><b>Shareholdings<sup>(2)</sup>:</b> None</p>	<p><b>Louise Richnau<sup>(1)</sup></b></p>  <p>BoD since 2024</p> <p><b>Experience:</b></p> <ul style="list-style-type: none"> <li>+30 yrs in real estate</li> <li>Previously responsible for establishing Niam Credit, and Senior Advisor, Nordanö</li> </ul> <p><b>Shareholdings<sup>(2)</sup>:</b> 39,900</p>	<p><b>Ylva Sarby Westman</b></p>  <p>BoD since 2020</p> <p><b>Experience:</b></p> <ul style="list-style-type: none"> <li>+30 yrs in real estate</li> <li>Currently CEO, Neobo</li> <li>Prev. Deputy CEO, Castellum, Kungsleden</li> </ul> <p><b>Shareholdings<sup>(2)</sup>:</b> 10,552</p>

## Executive Management

<p><b>Kestutis Sasnauskas</b></p>  <p>CEO since 2017</p> <p><b>Experience:</b></p> <ul style="list-style-type: none"> <li>+30 yrs in emerging markets</li> <li>Founder of East Capital</li> <li>Previously Head of Private Equity and Real Estate Inv.</li> </ul> <p><b>Shareholdings<sup>(2)</sup>:</b> 4,361,394 + 290,534 warrants</p>	<p><b>Britt-Marie Nyman</b></p>  <p>CFO/dep. CEO since 2019</p> <p><b>Experience:</b></p> <ul style="list-style-type: none"> <li>+30 years in real estate</li> <li>Previously Head of Catella Capital Markets</li> <li>Deputy CEO Klövern</li> </ul> <p><b>Shareholdings<sup>(2)</sup>:</b> 118,190 + 145,263 warrants</p>	<p><b>Eric Stadler</b></p>  <p>Head of Finance since 2025</p> <p><b>Experience:</b></p> <ul style="list-style-type: none"> <li>~20 years in capital markets</li> <li>Prev. Structuring and Treasury Manager, Eastnine</li> <li>Prod. Manager, East Capital</li> </ul> <p><b>Shareholdings<sup>(2)</sup>:</b> 25,365 + 29,052 warrants</p>
<p><b>Emil Holmström</b></p>  <p>CIO since 2025</p> <p><b>Experience:</b></p> <ul style="list-style-type: none"> <li>15 years in capital markets</li> <li>Previously Head of Investments, Eastnine</li> <li>Private Equity, East Capital</li> </ul> <p><b>Shareholdings<sup>(2)</sup>:</b> 217,478 + 290,524 warrants</p>	<p><b>Julius Niedvaras</b></p>  <p>Country Manager in Lithuania since 2018</p> <p><b>Experience:</b></p> <ul style="list-style-type: none"> <li>~20 yrs in real estate</li> <li>Previously Investment Manager, Arco Vara</li> <li>Director Genera, SEB</li> </ul> <p><b>Shareholdings<sup>(2)</sup>:</b> 13,906</p>	<p><b>Jānis Meiers</b></p>  <p>Country Manager in Latvia since 2023</p> <p><b>Experience:</b></p> <ul style="list-style-type: none"> <li>~15 yrs in real estate</li> <li>Private developer, Various Private Ventures</li> <li>Project Manager, MCITY Hld.</li> </ul> <p><b>Shareholdings<sup>(2)</sup>:</b> 29,052 warrants</p>

Notes: (1) New Chair of the Board proposed to the AGM. (2) Own and related parties' shareholdings as of 31 December 2024.

# Financial overview

# Income Statement

EURk	Jan-Mar 2025	Jan-Mar 2024	Change, %	Oct-Dec 2024	Change, %
Rental income	3 15,607	9,064	+72	12,412	+26
Property expenses	-951	-705	+35	-842	+13
<b>Net operating income</b>	<b>14,656</b>	<b>8,359</b>	<b>+75</b>	<b>11,570</b>	<b>+27</b>
Central administration expenses	-1,205	-1,198	+1	-1,079	+12
Interest income	79	1,140	-93	421	-81
Interest expenses	-5,476	-3,083	2 +78	-4,462	+23
Other financial income/expenses	-258	108	n/a	-294	-12
<b>Profit from property management</b>	<b>7,796</b>	<b>5,326</b>	<b>1 +46</b>	<b>6,155</b>	<b>4 +27</b>
Unrealised value changes properties	19,350	1,534		-1,987	
Unrealised value changes derivatives	531	716		-1,276	
Realised value changes/received dividend	-4	-		49	
<b>Profit/loss before tax</b>	<b>27,674</b>	<b>7,577</b>		<b>2,941</b>	
Current tax	-446	-365		-562	
Deferred tax	-4,931	-2,180		-2,620	
<b>Profit/loss for the period</b>	<b>22,297</b>	<b>5,032</b>	<b>1 +343</b>	<b>-240</b>	
Translation differences foreign operations	-386	-327		-255	
<b>Comprehensive income for the period</b>	<b>21,910</b>	<b>4,705</b>		<b>-496</b>	

## Q1-2025 vs Q1-2024

1. Large increase in profit from property management and profit for the period mainly due to acquisitions during 2024. Profit for the period also positively affected by unrealised value increase for properties in Poland.
2. Interest income lower, and interest expenses higher, mainly due to acquisitions in Q2 and Q4 2024.
3. In a comparable portfolio, rental income increased by 4 %, related to indexation, higher occupancy and compensation for pre-terminated leases.

## Q1-2025 vs Q4-2024

4. Increase in profit from property management is related to:
  - Warsaw Unit being included for a full quarter
  - Indexation of rents
  - Higher average occupancy
  - Compensation from pre-terminated leases

# Earnings capacity

EURk	2025-03-31	2024-12-31	Change, %	
Rental income	61,710	61,061	1	+1
Property expenses	-3,216	-2,970		+8
<b>Net operating income</b>	<b>58,494</b>	<b>58,091</b>	<b>1</b>	<b>+1</b>
Central administration	-4,336	-4,330		0
Interest income	238	394	2	-40
Interest expenses	-21,958	-22,447	3	-2
Other financial income & expenses	-44	-44		0
<b>Profit from property management</b>	<b>32,394</b>	<b>31,664</b>	<b>4</b>	<b>+2</b>

1. Rent indexation in Q1 is the main reason for higher rental income and also for the increase in NOI, despite higher property expenses.
2. Interest income is lower due to lower interest rate.
3. Interest expenses decreased somewhat, after amortisations and slightly lower interest rate.
4. Profit from property management increases, mainly due to higher rental income and decreased interest expenses.

# Earnings capacity - key ratios

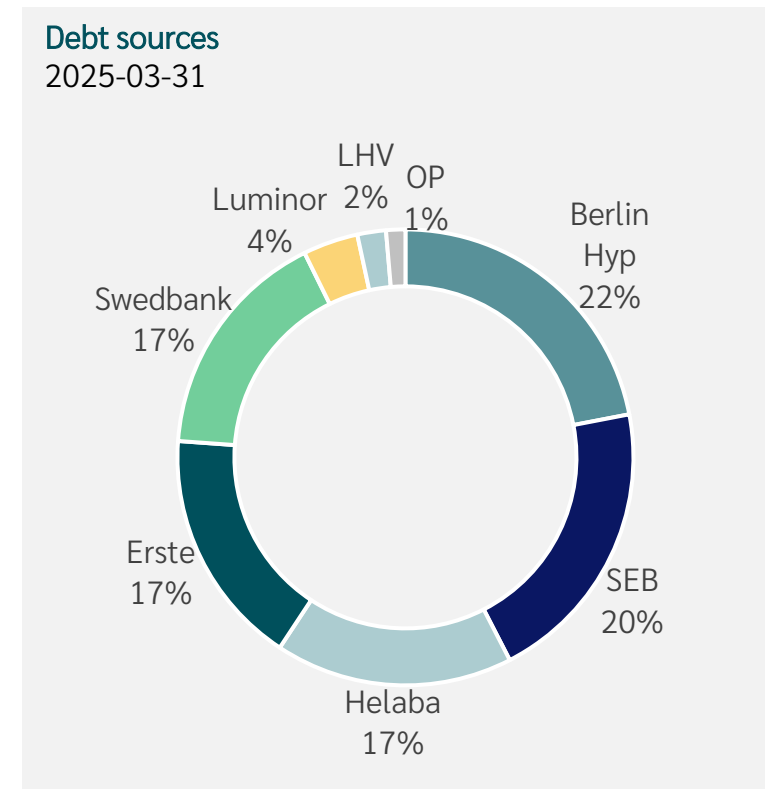
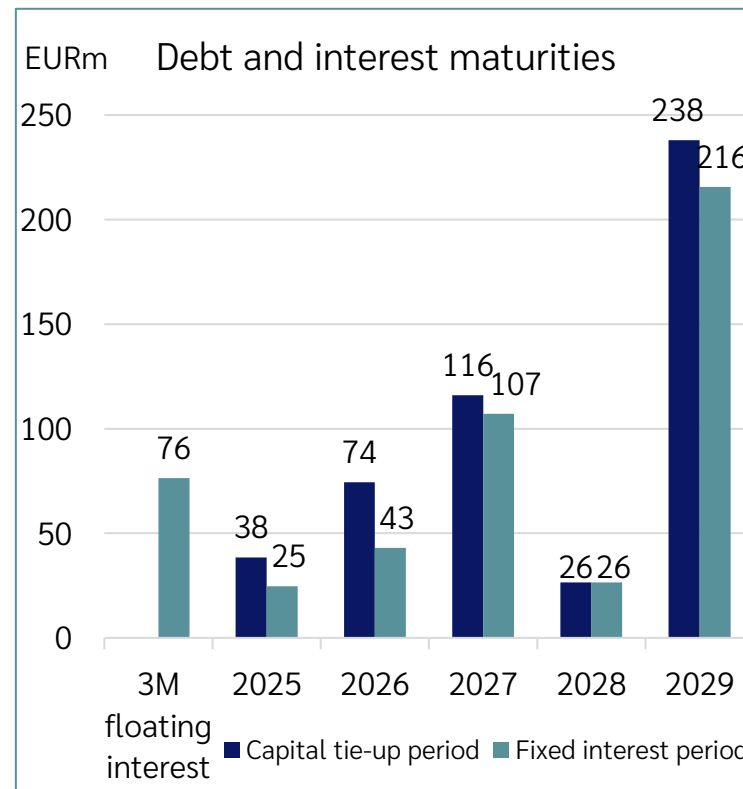
Key ratios	2025-03-31	2024-12-31	Change, unit	Change, %
Profit from property management/share, EUR	0.33	0.32	+0.01	1 +2.3
Surplus ratio, %	94.8	95.1	-0.3	2 -0.4
Interest coverage ratio	2.5	2.4	+0.1	3 +2.8
Net debt ratio, times	8.5	8.6	-0.1	4 -1.8
Interest rate level, %	4.5	4.5	0.0	-1.5
Yield excl development projects, %	6.2	6.3	-0.1	-1.5

1. Profit from property management per share increased by 2 %, due to indexation and lower interest expenses.
2. Surplus ratio decreased, mainly due to higher property expenses even though rental indexation had a positive effect.
3. Interest coverage ratio has increased, due to lower interest expenses.
4. Net debt ratio has decreased due to higher NOI and decreased net debt.

# Healthy leverage level and diversified debt portfolio

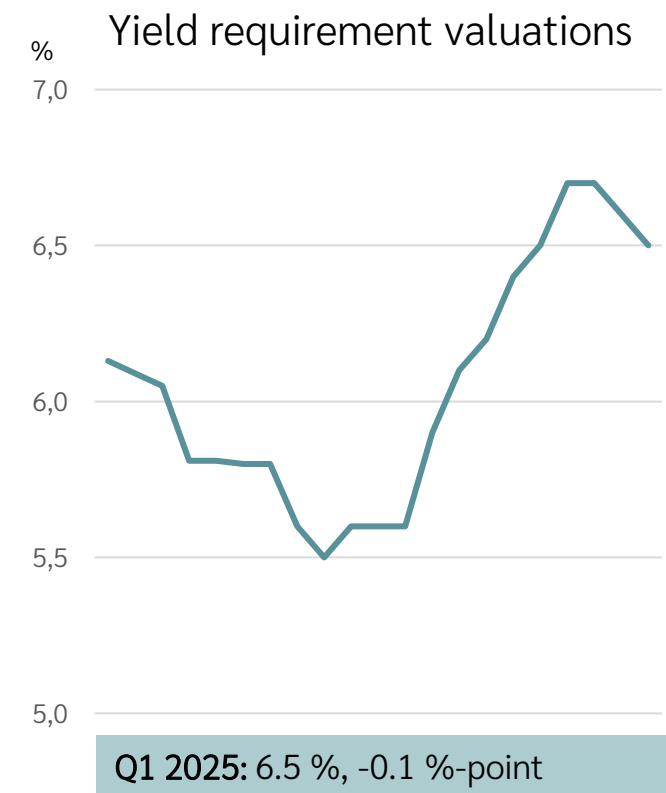
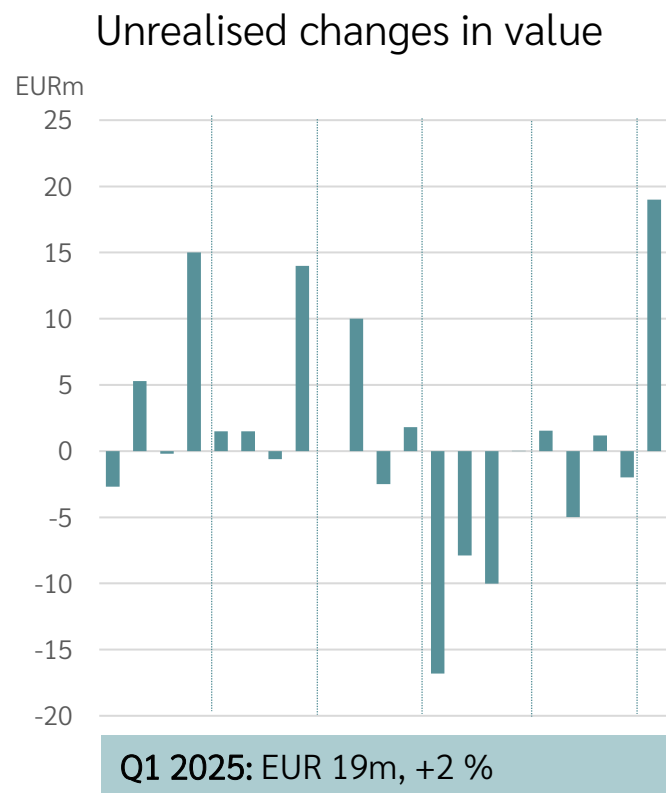
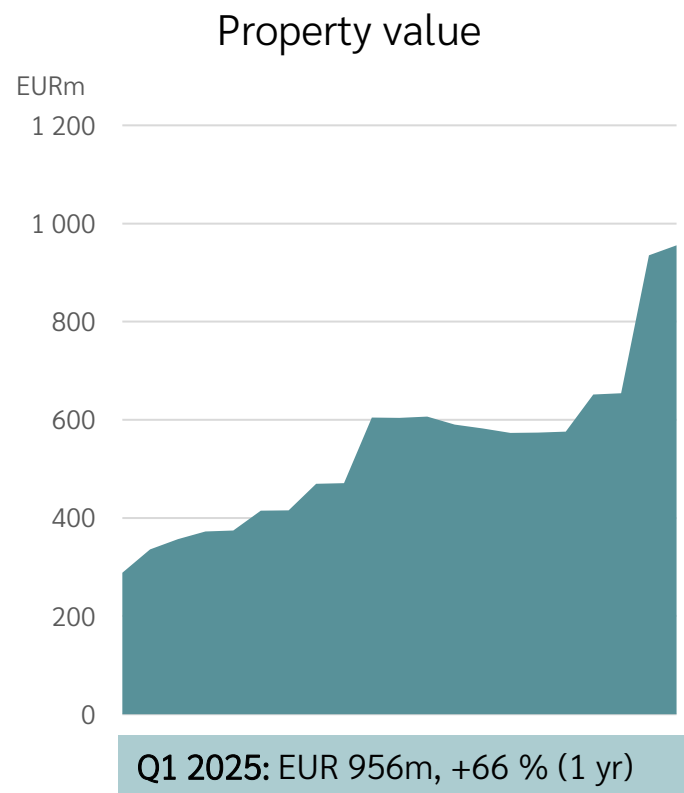
High degree of fixed interest

Key figures	Jan-Mar 2025/ 2025-03-31
LTV	48 %
Interest-bearing debt (EUR)	493m
Liquidity (EUR)	34m
Interest rate level	4.5 %
Interest coverage ratio	2.4x
Capital tie-up period	3.2 yrs
Fixed interest period	2.9 yrs
Share of fixed interest	84 %



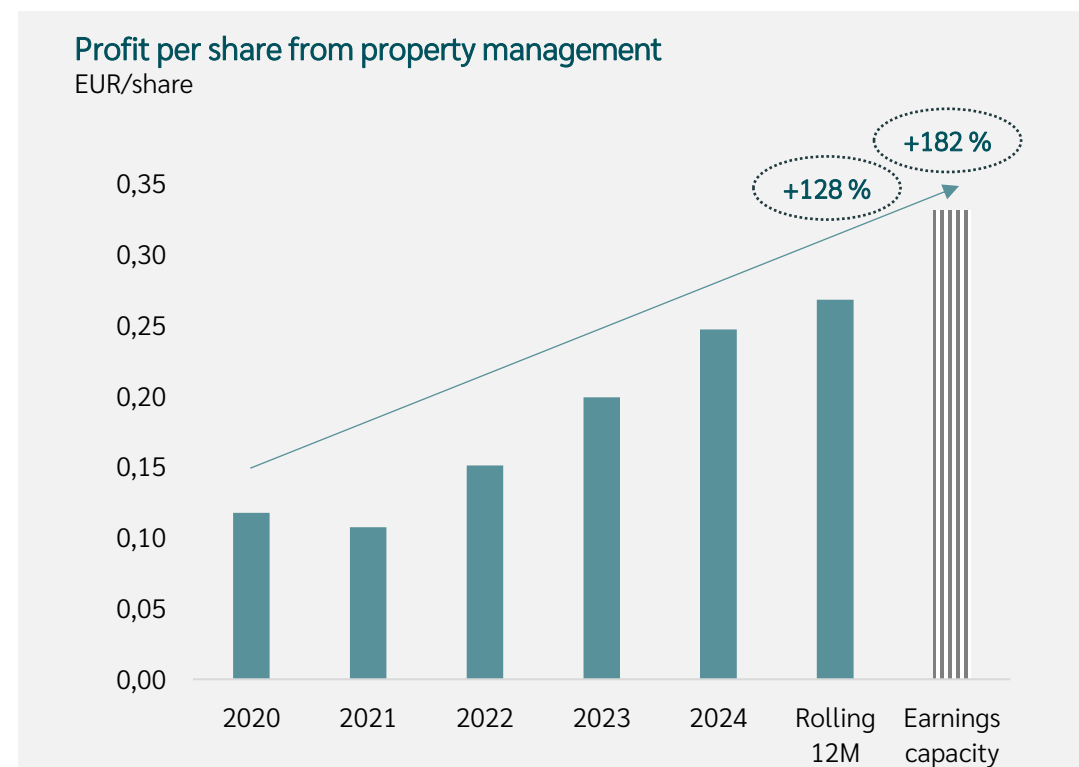
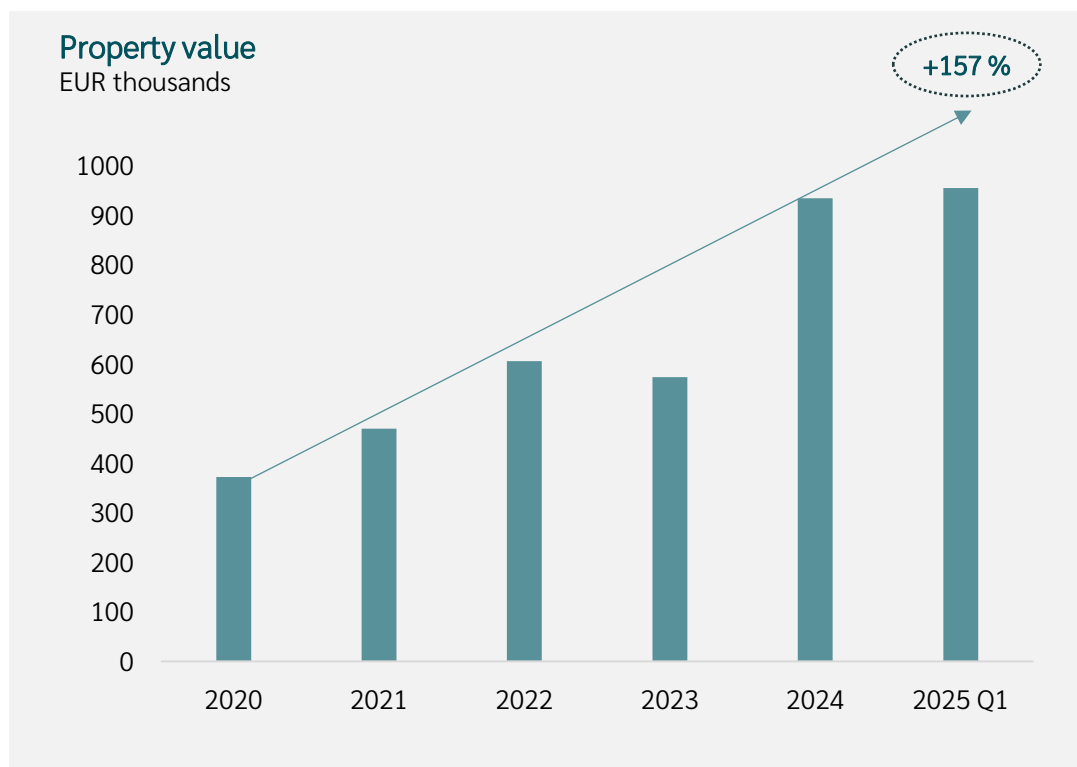
# Properties – value and valuations

2020-Q1 2025, quarterly figures



# Proven growth and strategy execution

Strong increase in property value and profit per share



Eastnine AB

Thanks!  
Ready for questions!

