

5 February 2025

# Eastnine Year-end report presentation 2024





# Highlights

- Property portfolio +63 %
- Profit from property management
  - Full year: +25 %                      Q4: +37 %
- Profit per share from property management
  - Full year: +24 %                      Q4: +32 %
- Positive net letting
  - Full year: EUR 581k                      Q4: EUR 183k
- Occupancy ratio increased to 96.1 %
- Surplus ratio was 92.8 %
- Acquisitions:
  - Nowy Rynek E, Poznan in June
  - Warsaw Unit, Warsaw in November
- Proposed dividend: Increase to SEK 1.20 per share (1.16), with quarterly instalments of SEK 0.30 per share.







# Warsaw Unit in brief

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## Asset

- Located in central Warsaw.
- 202 meters high, 46 floors above and 3 under.
- ~60,000 sq.m.
- 400 parking spaces.

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## Tenants

- Fully leased (100 % economic occupancy).
- Key tenants including Warta, Amazon, Moderna, Stryker, CBRE, and Panattoni.
- Rent level ~EUR 24/sqm/month.

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## Financials

- Annual rental income: EUR 18.0m.
- Acquired at EUR 280m property value, 6.4 % yield.

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## Warsaw office market

- **Strong growth in demand for offices**  
Growing population, rising share of office jobs, flight to quality.
- **Higher yields, lower rents**  
Prime office rent of EUR 28/sq.m/month, prime office yield of 6 %.

# Markets

# Increased focus on Poland

Dagens industri

START BÖRS MARKNADSNYTT BEVAKNINGAR LEDARE DI TV

## Polen är snart nästa europeiska stormakt

Polen är just nu landet som gör allting rätt. När landets premiärminister Donald Tusk gästar Sörmland och Harsund i dagarna har Sverige starka skäl att öppna för nya samarbeten.

PM Nilsson är vd på fristående krönikör

Publicerad: 27 november 2024, 16:09



Krönika: PM Nilsson  
Text

## Klarna opens new hub in Warsaw to recruit 100 of Poland's top tech talents

November 25, 2024

Klarna Klarna



affärsvärlden

ALLA ARTIKLAR PORTFÖLJER VERKTYG IPO-GUIDEN OM AFFÄRSVÄRLDEN

Analys Fastighet EASTNINE

## Eastnine: Sätter Rysslandspengarna i arbete

Fastighetsbolaget Eastnine lyckades mot alla odds komma ur investeringen i en rysk modekedja med 1 miljard i fickan. Kapital som nu investerats i toppmoderna polska kontor. Insiders köper aktien. Den som inte räds regionens risker kan göra detsamma.



Otto Klær

16 Januari



POLEN



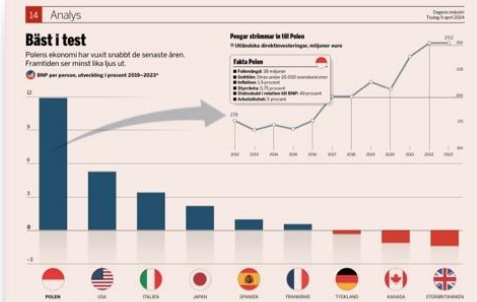
USA

Källa: Trading Economics, Economist, Di. \*För 2023 har preliminär data använts

# Polsk t

Polen är den snabbast växande ekonomin i EU. Framtiden är ljus för vårt östra grannland. De närmaste tio åren är det Polen och de baltiska länderna som lär växa mest.

Självklart gynnar det även en rad svenska företag.



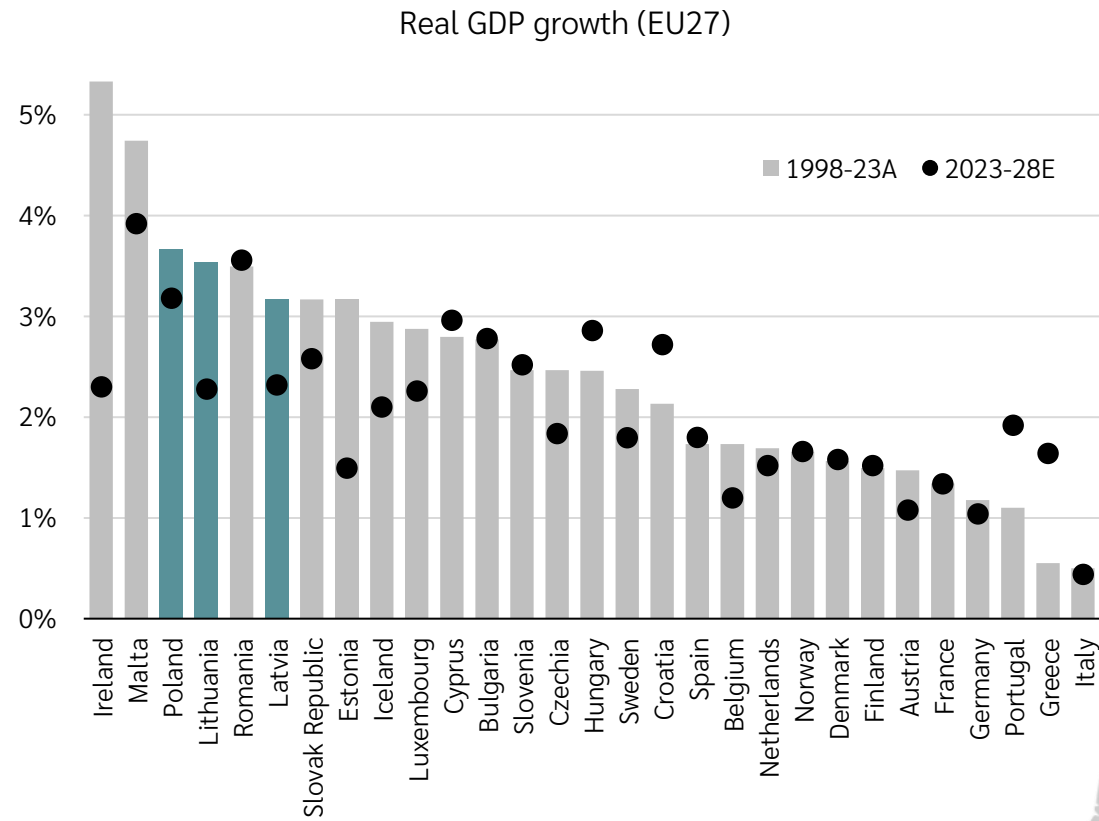
## Polsk tillväxt i toppklass

Polen är den snabbast växande ekonomin i EU. Framtiden är ljus för vårt östra grannland. De närmaste tio åren är det Polen och de baltiska länderna som lär växa mest. Självklart gynnar det även en rad svenska företag.



# Consistently high GDP growth

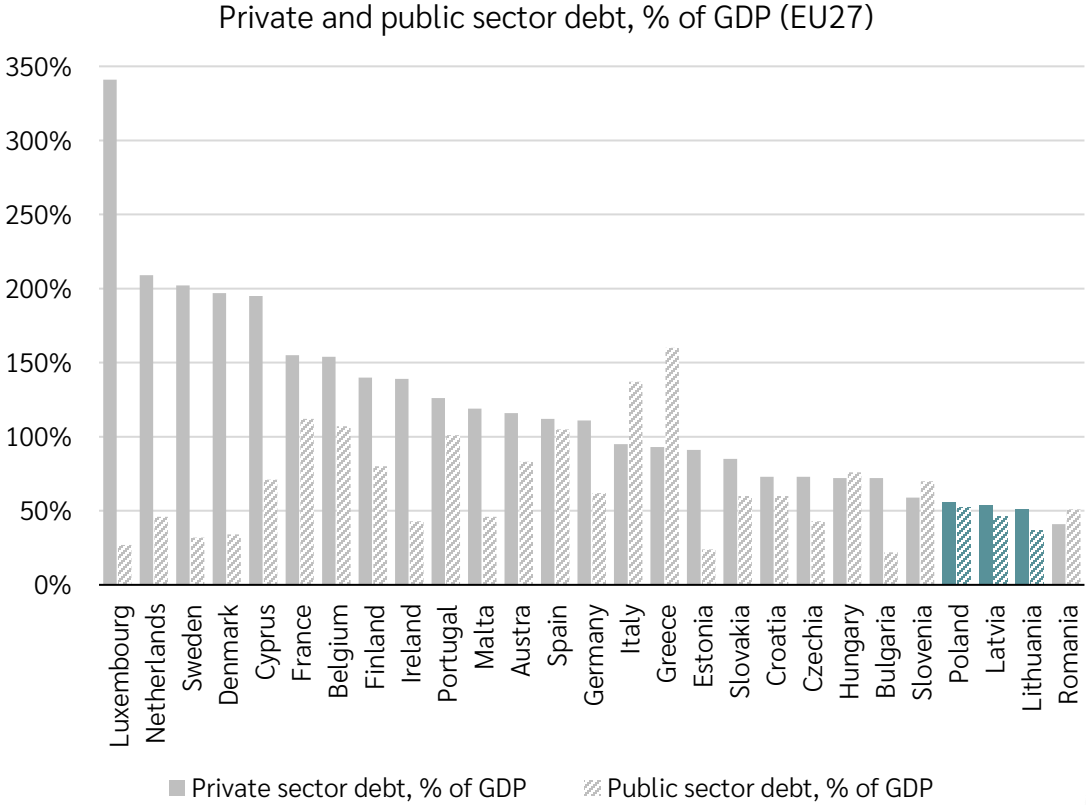
Poland is now the 6<sup>th</sup> largest and fastest growing major economy in the EU



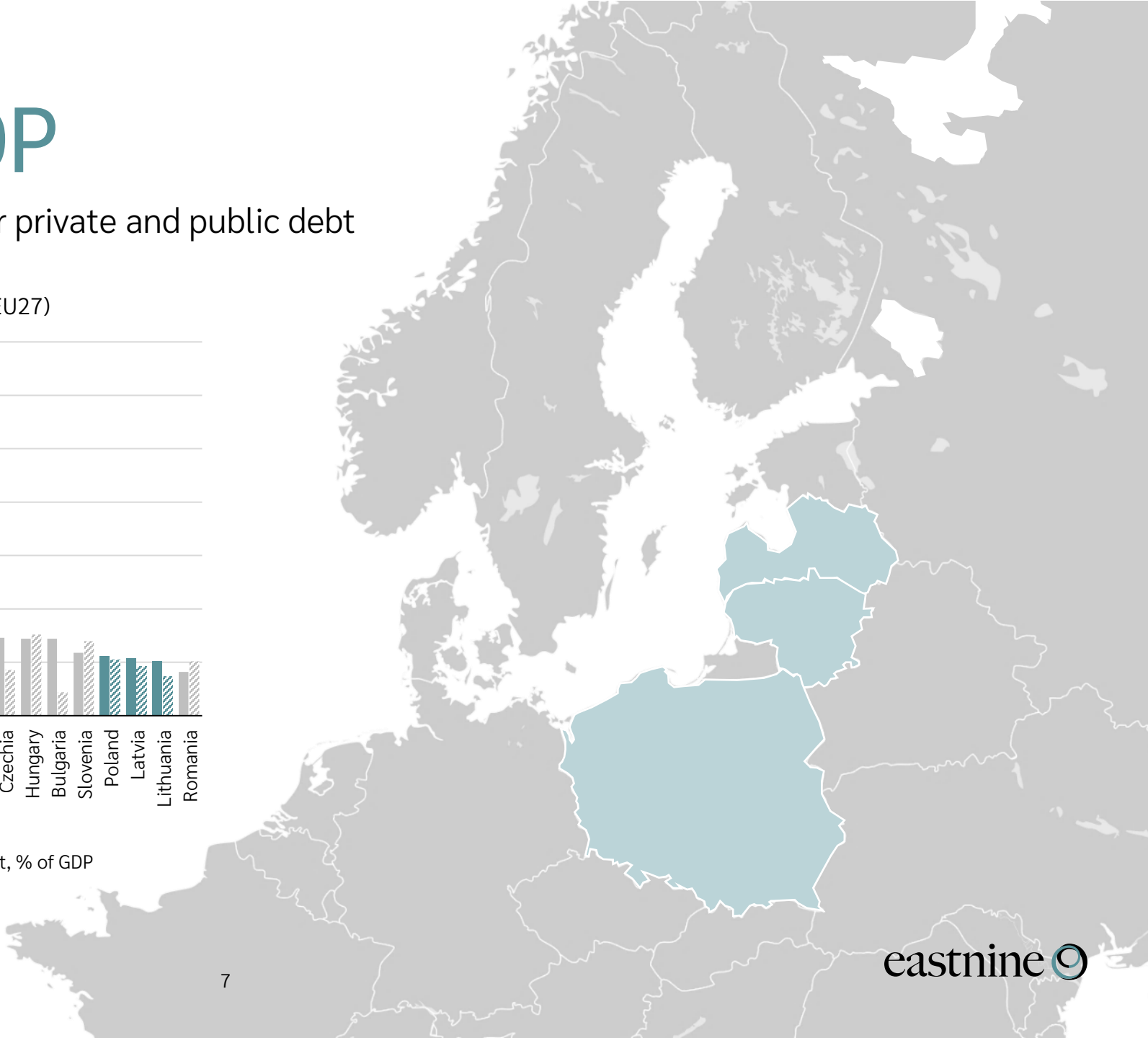
Source: Eurostat, IMF

# Low debt to GDP

Further economic potential from higher private and public debt

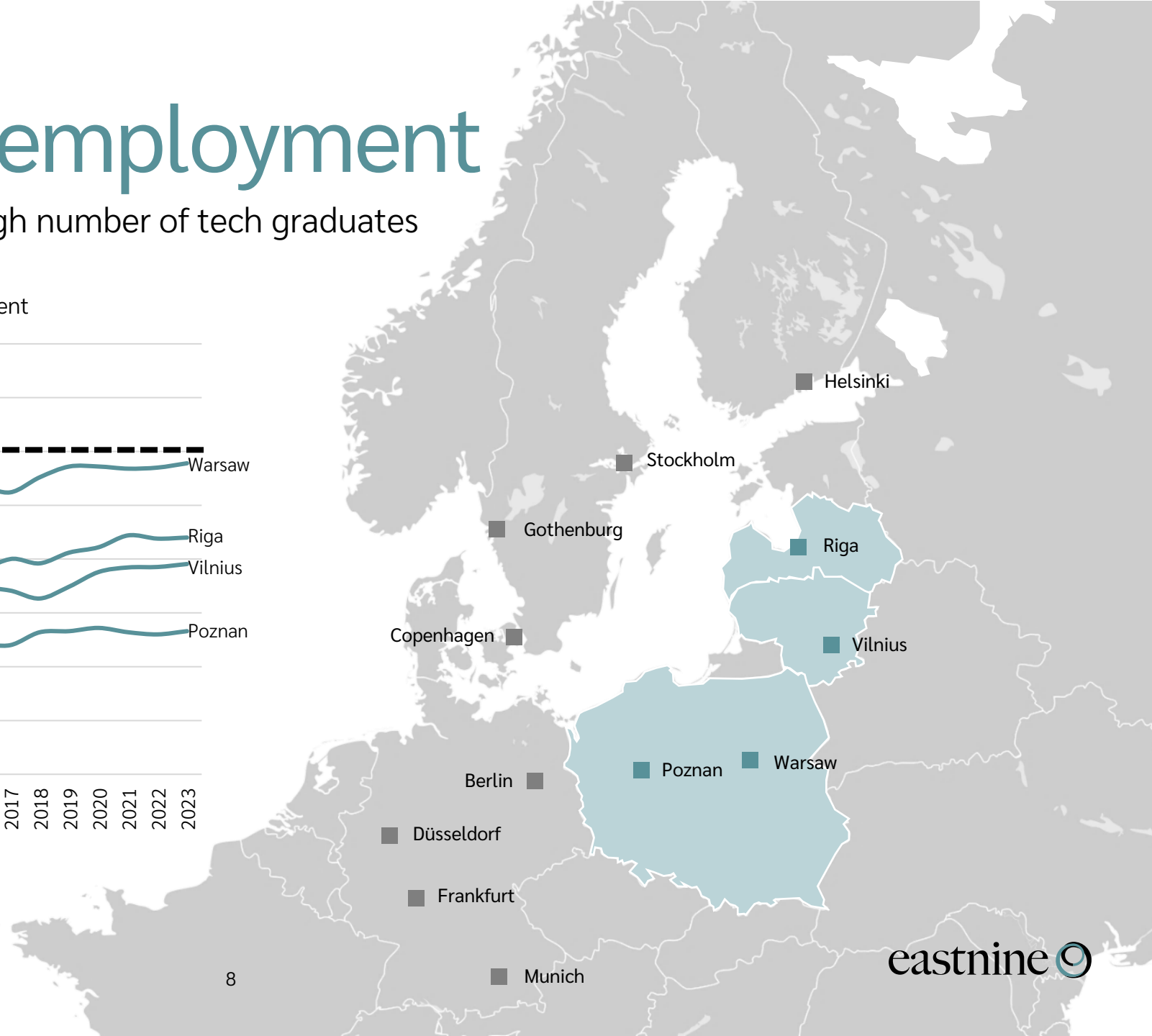
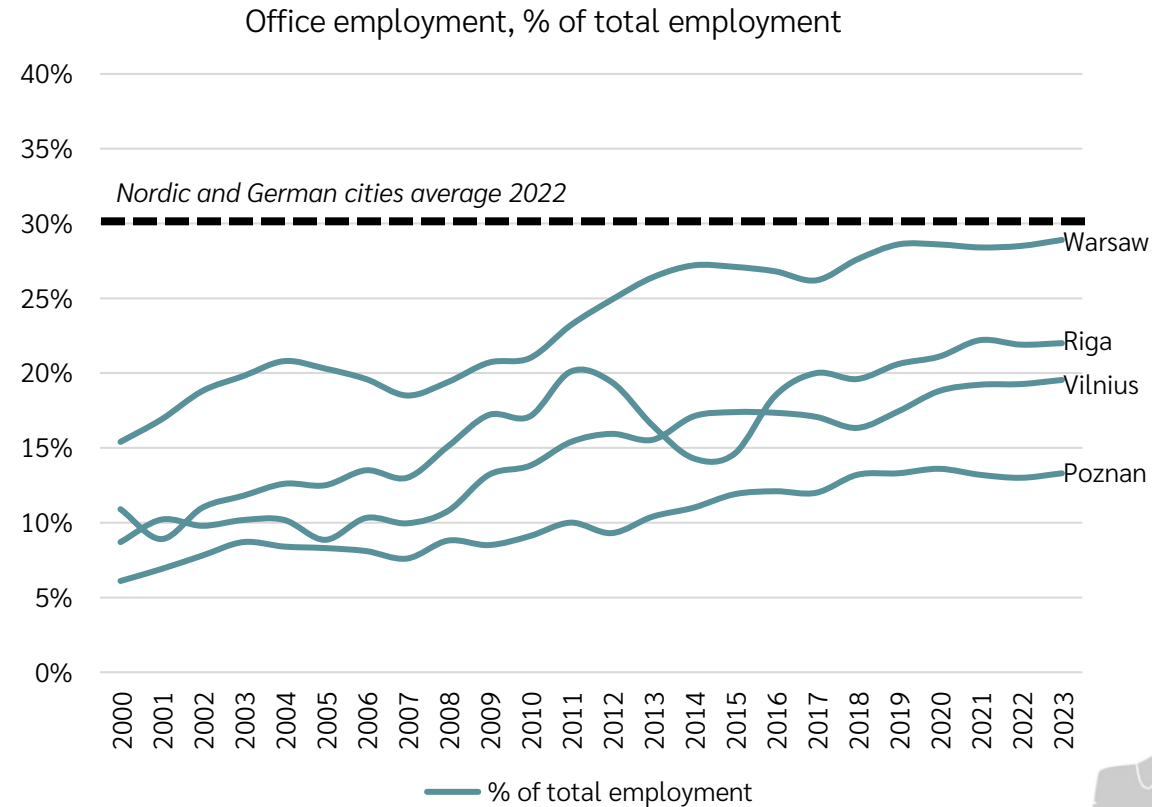


Source: Eurostat



# Growing office employment

Expanding service sectors, fueled by high number of tech graduates



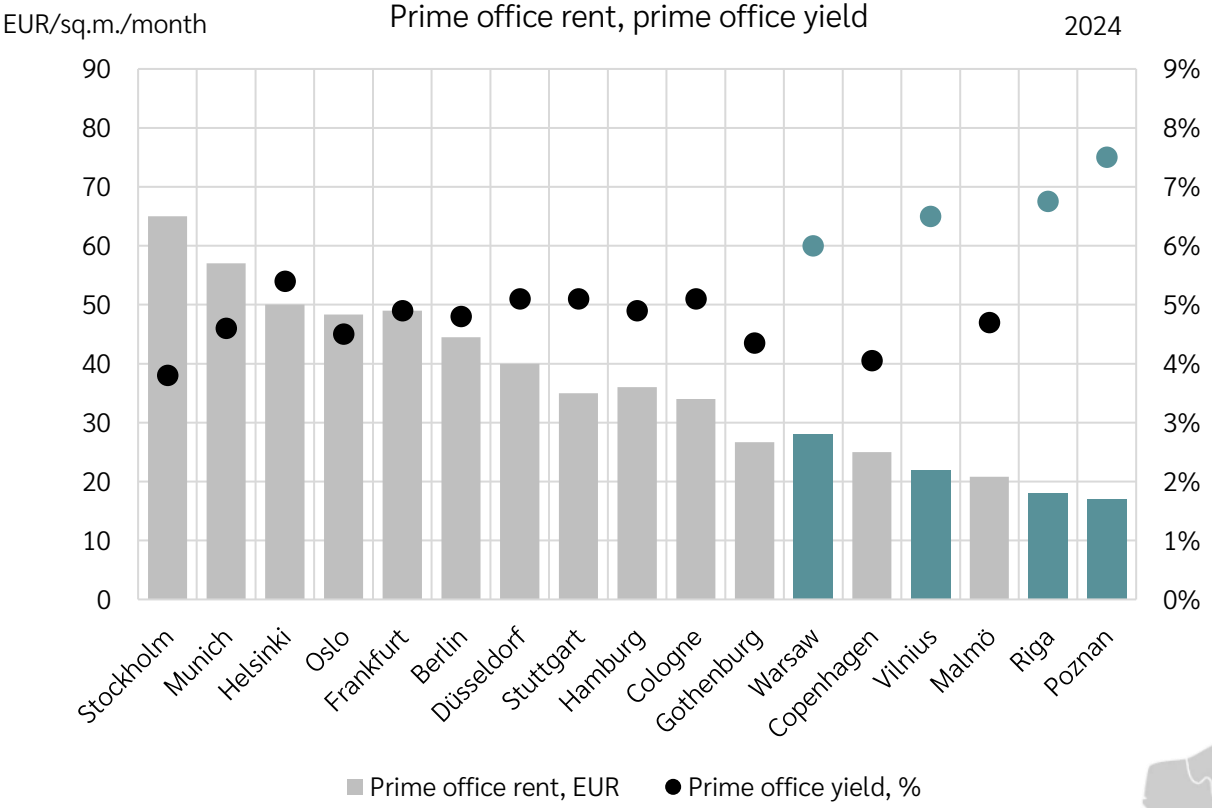
Source: Eurostat

1) Employment in IT, financial, scientific, administrative sectors

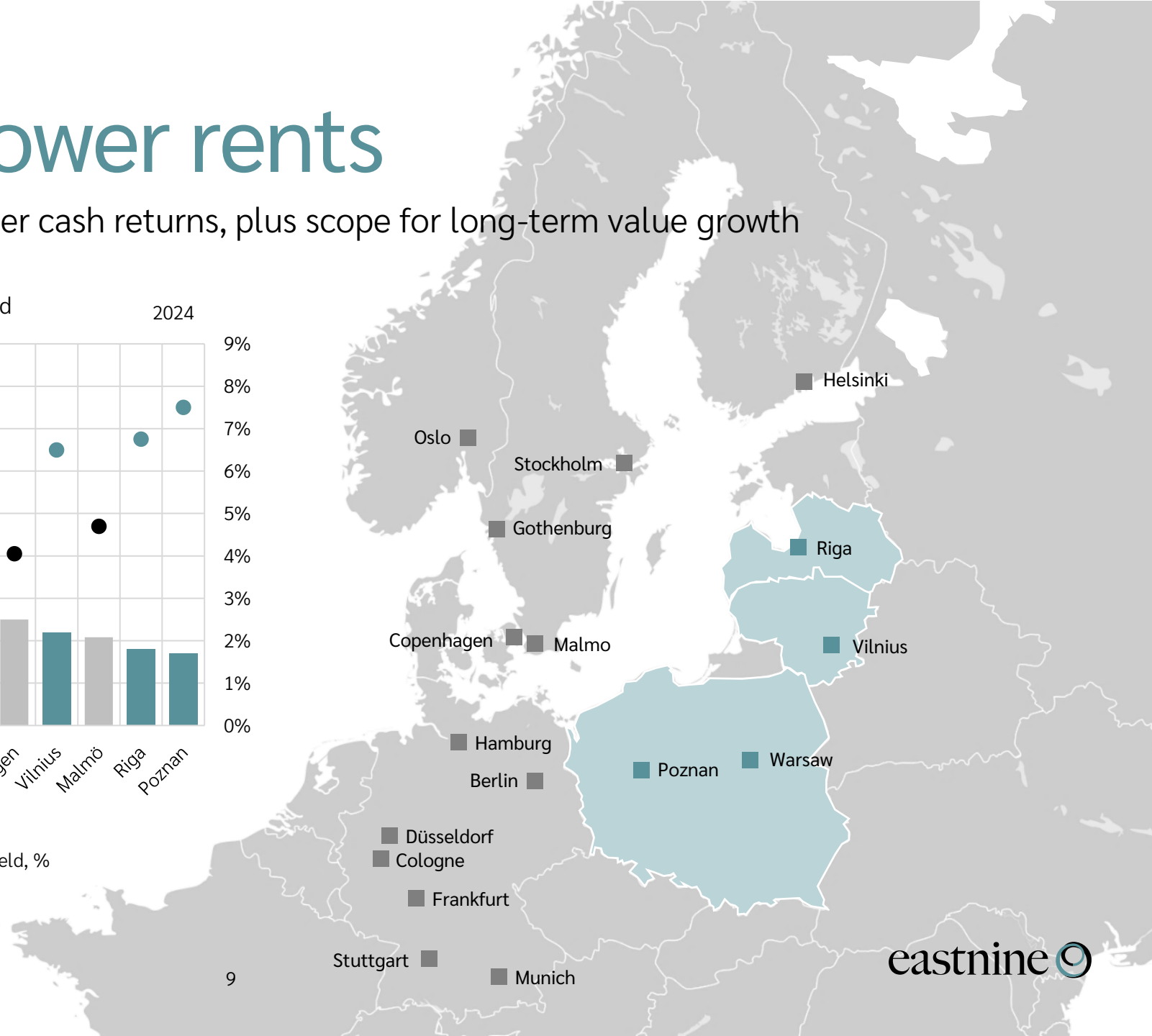


# Higher yields, lower rents

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



Source: JLL, Colliers, Newsec, CBRE



# Operations

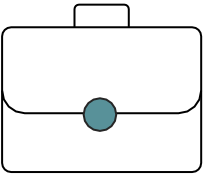

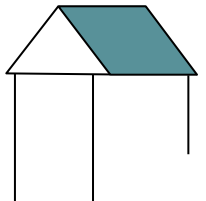
# Property portfolio

- No. of properties: 16
- Lettable area: 271,600 sq.m.
- Lettable area per property: 17,000 sq.m.
- Property value: EUR 935m
- Property value/sq.m.: EUR 3,400
- Average age (sq.m): ~7 years





# Property key figures

		Q4	Q3	Q4 2023
	Surplus ratio (quarter)	93.2 %	92.9 %	91.7 %
	Occupancy ratio	2024-12-31 96.1 %	2024-09-30 94.4 %	2023-12-31 93.1 %
	Weighted yield requirement (valuations)	6.6 %	6.7 %	6.4 %

# eastthing

POLAND 51 %

No. of properties 3  
Property value EUR 480m  
Rental value EUR 33m  
Lettable area 128,200 sq.m.  
Occupancy rate 100.0 %


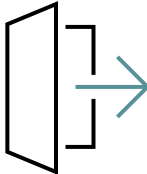
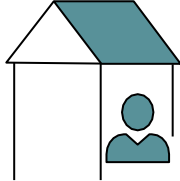
LITHUANIA 41 %

No. of properties 9  
Property value EUR 387m  
Rental value EUR 26m  
Lettable area 120,900 sq.m.  
Occupancy rate 94.5 %

LATVIA 8 %

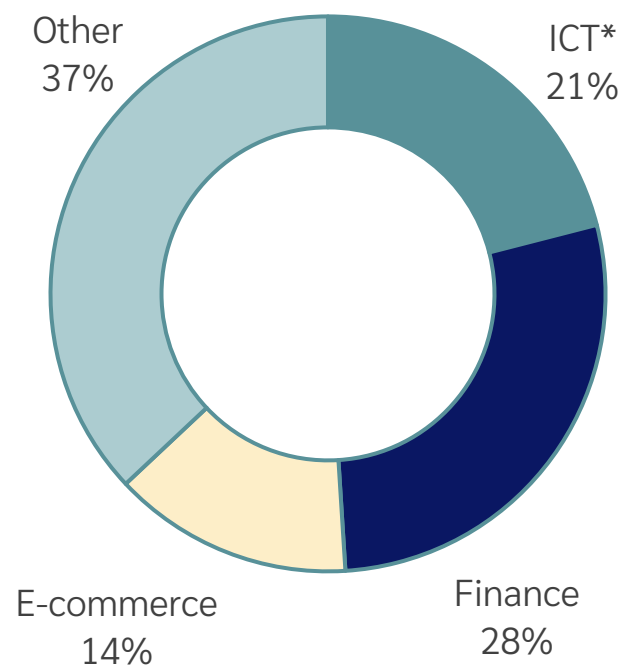
No. of properties 4  
Property value EUR 69m  
Rental value EUR 5m  
Lettable area 22,500 sq.m.  
Occupancy rate 77.7 %

# Tenant/lease key figures

	Net letting	Q4 <b>EUR +183k</b>	2024 <b>EUR +581k</b>	
	Wault	2024-12-31 <b>4.1 yrs</b>	2024-09-30 <b>3.9 yrs</b>	2023-12-31 <b>3.8 yrs</b>
	Tenant concentration Largest tenant's share of contractual annual rent %	<b>11 %</b>	<b>14 %</b>	<b>16 %</b>



# Tenants – sectors



\* Information, Communication, Technology

Tenant	Share of contractual annual rent, %
Warta	11
Allegro	10
Danske Bank	8
Telia	5
Vinted	3
McKinsey	3
Swedbank	3
CBRE	2
Rockwool	2
Moderna	2
<b>Total</b>	<b>50</b>

# Sustainability – ambition to be a leader

Sustainability certification

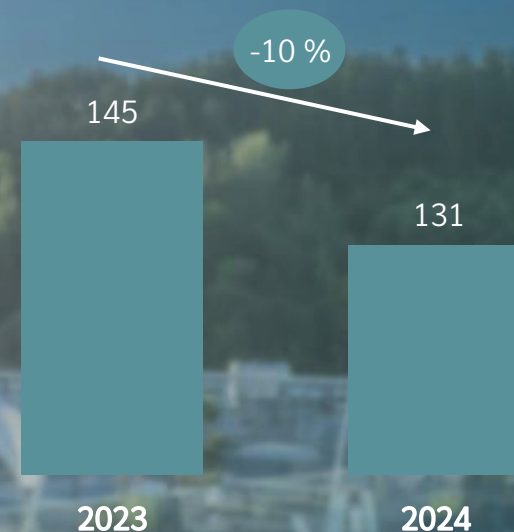


100 % (94)

GRESB, 92 points



Total energy use per sq.m.  
kWh/sq.m.



Green financing



76 % (60)

Green leases



45 % (68)

# Financial overview



# Income Statement

EURk	2024	2023	Change	Oct-Dec 2024	Oct-Dec 2023	Change
Rental income	41,523	36,166	2 +15 %	12,412	8,967	2 +38 %
Property expenses	-2,970	-2,535	+17 %	-842	-747	+13 %
<b>Net operating income</b>	<b>38,553</b>	<b>33,631</b>	<b>+15 %</b>	<b>11,570</b>	<b>8,220</b>	<b>+41 %</b>
Central administration expenses	-4,330	-3,679	4 +18 %	-1,079	-904	4 +19 %
Interest income	3,084	2,040	3 +51 %	421	1,208	2 -65 %
Interest expenses	-14,795	-13,586	2 +9 %	-4,462	-3,758	2 +25 %
Other financial income/expenses	-318	-709	-57 %	-294	-282	+4 %
<b>Profit from property management</b>	<b>22,193</b>	<b>17,698</b>	<b>1 +25 %</b>	<b>6,155</b>	<b>4,483</b>	<b>1 +37 %</b>
Unrealised value changes properties	-4,260	-34,685		-1,987	21	
Unrealised value changes derivatives	-5,433	-7,767		-1,276	-5,330	
Realised value changes/received dividend	93	-49,870		49	-	
<b>Profit/loss before tax</b>	<b>12,593</b>	<b>-74,625</b>		<b>2,941</b>	<b>-826</b>	
Current tax	-1,520	-449		-562	-171	
Deferred tax	-5,165	3,025		-2,620	1,169	
<b>Profit/loss for the period</b>	<b>5,908</b>	<b>-72,048</b>		<b>-240</b>	<b>172</b>	
Translation differences etc.	-950	391		-255	696	
<b>Total comprehensive income for the period</b>	<b>4,957</b>	<b>-71,658</b>		<b>-496</b>	<b>860</b>	

Large increase in profit from property management both during the year and the quarter. Most important factors:

1. Acquisitions of two properties in Poland, one in June and one in November.
2. Acquisitions mainly increased rental income and interest expenses and decreased interest income (quarter).
3. For the year interest income is higher since the sale of MFG took place in August 2023.
4. Central administration was affected by one-off costs in Q1 and also by increased legal and sustainability costs during the year.

# Earning capacity

EURk	2024-12-31	2024-09-30	Change, %	
Rental income	61,061	43,023	1	+42
Property expenses	-2,970	-2,874		+3
<b>Net operating income</b>	<b>58,091</b>	<b>40,149</b>	<b>1</b>	<b>+45</b>
Central administration	-4,330	-4,155	2	+4
Interest income	394	2,673	3	-85
Interest expenses	-22,447	-14,719	4	+53
Other financial income & expenses	-44	-39		+13
<b>Profit from property management</b>	<b>31,664</b>	<b>23,909</b>	<b>1</b>	<b>+32</b>

1. The acquisition of Warsaw Unit has substantially increased rental income, NOI and profit from property management.
2. Central administration, based on outcome for 12M, is affected by one-off costs of 300 TEUR in Q1 and increased cost for sustainability and legal costs during the year.
3. Interest income decreased after the acquisition of Warsaw Unit.
4. New loans related to the acquisition have increased the interest expenses, even though the average interest rate level decreased.

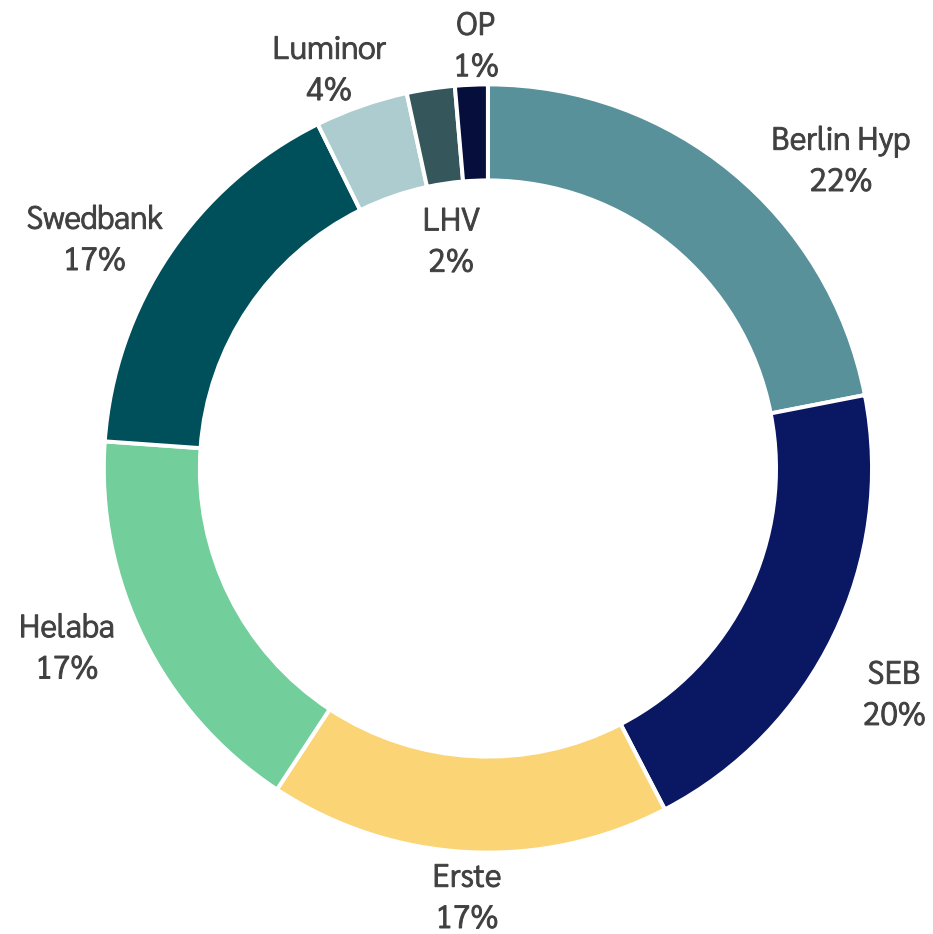
# Earning capacity - key ratios

Key ratios	2024-12-31	2024-09-30	Change, unit
Profit from property management/share, EUR	0.32	0.27	1 +0.05 +21 %
Surplus ratio, %	95.1	93.3	2 +1.8
Interest coverage ratio	2.4	2.6	3 -0.2
Net debt ratio, times	8.6	6.4	3 +2.2
Interest rate level, %	4.5	4.6	4 -0.1
Yield excl development projects, %	6.3	6.3	0.0

1. Profit per share from property management increased by 21 %.
2. Surplus ratio increased mainly due to acquisition of Warsaw Unit.
3. Interest coverage ratio has decreased, and net debt ratio has increased due to increased interest expenses and lower interest income after acquisition of Warsaw Unit.
4. Interest rate level has decreased after refinancing and decreased market interest rates.



# Debt financing



# Interest key figures

	2024-12-31	2024-09-30	2023-12-31
Interest rate level, %	4.5	4.6	4.0
Share of fixed interest, %	84	69	72
Fixed interest period, year	3.1	2.1	1.7

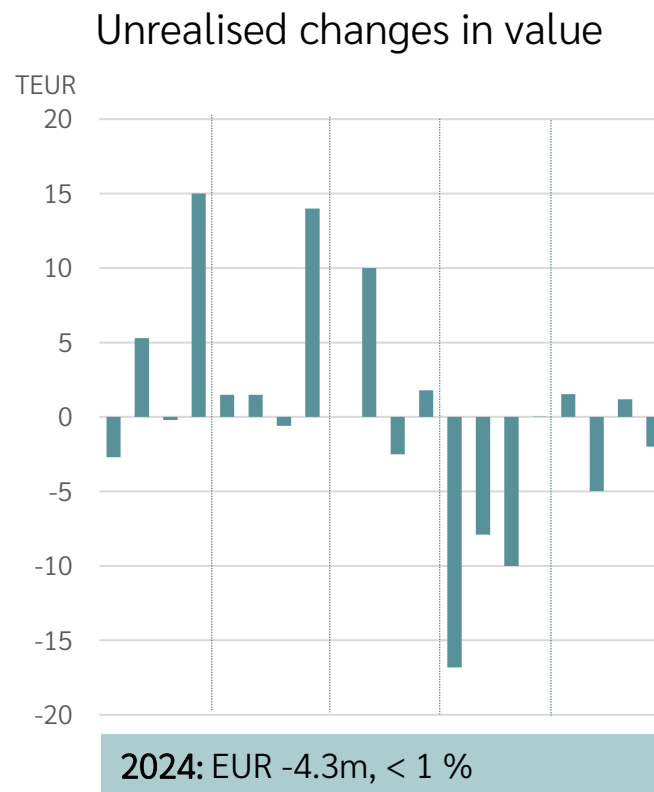
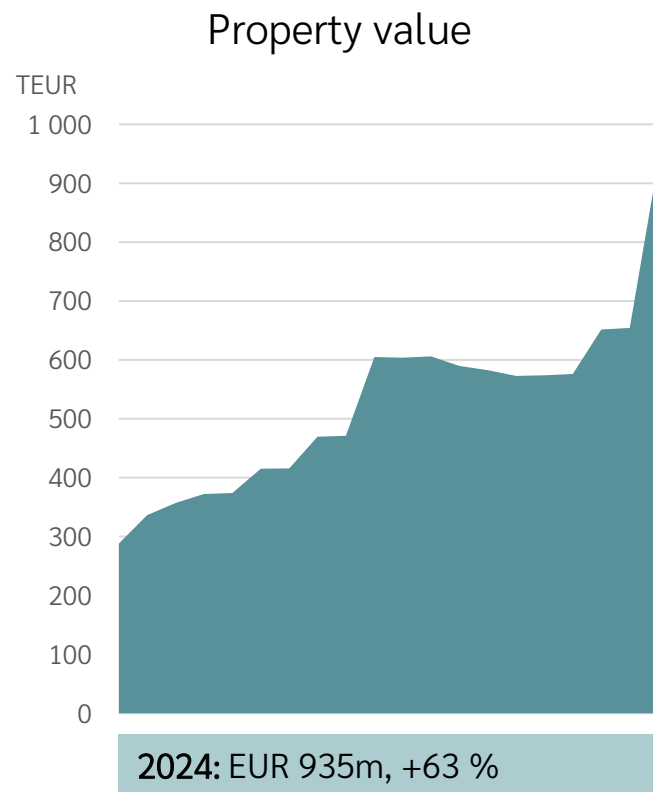
# Financial stability key figures

	Q4 2024	Q3	Q4 2023
Interest coverage ratio, times	2.4	2.5	2.2
	2024-12-31	2024-09-30	2023-12-31
Liquidity, EURm	31	90	129
Loan-to-value, %	50	35	27
Capital tie-up period, yrs	3.4	2.7	2.1

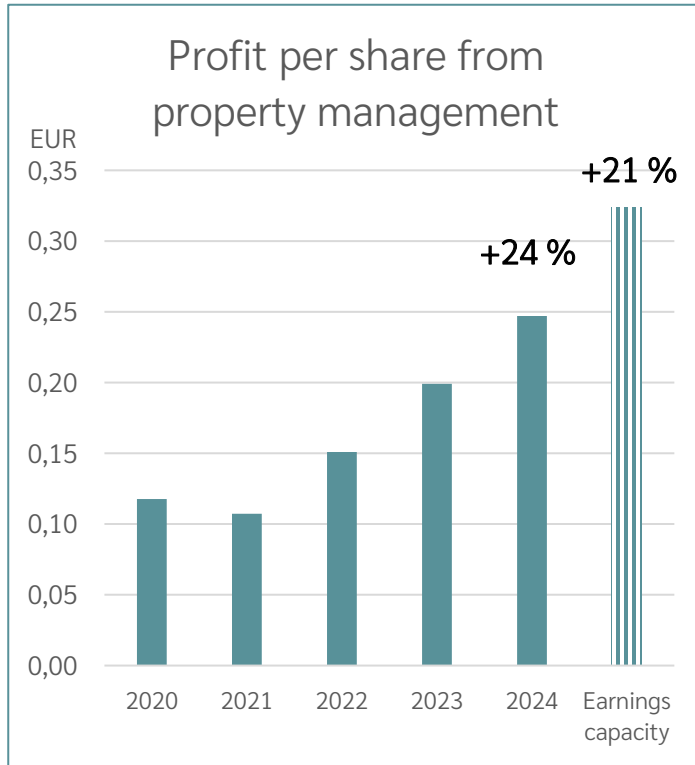


# Properties – value and valuations

2020-2024, quarterly figures



# For the shareholders



Total shareholder return, %		
	Eastnine	OMX Sthlm Real Estate GI
1 year	11.6	-2.0
5 years	53.1	-6.7
Average per year	10.6	-1.3

## Dividend Proposal 2024

Increase to SEK 1.20 per share (1.16), with quarterly instalments of SEK 0.30 per share, corresponding to 50 % of profit from property management less current tax.

## New Dividend policy

Eastnine sees increasing profit from property management and has identified interesting investment opportunities, therefore change in the dividend policy.

Eastnine has the ambition to annually increase dividend per share. Dividends are to correspond to at least 1/3 of profit from property management, less current tax.



Thanks!  
Please post your  
questions!