

Eastnine introduces new dividend policy and financial targets, and amends its buyback program

The Board of Eastnine AB (publ), previously East Capital Explorer, has decided to introduce a new set of financial targets and a new dividend policy, and to remove the current 20 percent discount hurdle in its buyback program, as it embarks on the announced transformation into a Baltic real estate company.

As previously communicated, Eastnine is transforming from a diversified Eastern European investment company, into a Baltic real estate company. The transformation is expected to be finalised by the end of 2020. During the build-up phase, Eastnine will build a portfolio concentrated on A class office properties, centred in or close to the central business districts in the three Baltic capitals. Focus shall be on modern and sustainable properties with stable tenants. Meanwhile, Eastnine shall continue to divest non-core assets. The timing of these divestments will depend on market and liquidity conditions, among other aspects.

Dividend and buybacks

Dividend shall correspond to at least 50% of profit from property management. During the build-up phase, the annual dividend shall be at least 2.0% of the net asset value at the preceding year-end

Until further notice, Eastnine will continue the buyback program that the company started in May 2016, but will, after the current buyback mandate expires on 30 September 2017, remove the 20 percent discount hurdle. This means that Eastnine will repurchase its own shares as long as the shares trade at a discount to its net asset value.

Financial targets for direct real estate investments

Loan-to-value shall not exceed 65% on portfolio level

Return on equity shall, over a five-year period, be 13-15%

Interest service coverage ratio is to exceed 2.0x

Profit from property management capacity shall reach EUR 15m by the end of 2020

During the build-up phase 2017-2020, loan-to-value and return on equity may be lower due to Eastnine's current strong cash position, which will be the primary source for financing new acquisitions until it is deployed.

EASTNINE AB

Box 7214 | 103 88 Stockholm | Sweden | Tel +46-8-50597700 | www.eastnine.com | info@eastnine.com

eastnine

For further information, contact:

Kestutis Sasnauskas, CEO, +46 8 505 97 700

Lena Krauss, CFO, +46 73 988 44 66

Eastnine AB (publ) is a Swedish investment company with a net asset value of EUR 233m. The company is currently transitioning into a focused Baltic real estate company, with an aim to generate predictable cash flows by being a long-term owner of attractive commercial properties in prime locations in the Baltic capitals. Eastnine is listed on Nasdaq Stockholm, Mid Cap.

This information is information that Eastnine AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 14:30 CET on 26 September 2017.

EASTNINE AB

Box 7214 | 103 88 Stockholm | Sweden | Tel +46-8-50597700 | www.eastnine.com | info@eastnine.com