

Interim report

January–June 2023

The property business continues to develop well, in spite of rising interest expenses. Profit from property management rose by close to 50 per cent during the period due to a larger property portfolio, an improved occupancy rate and a higher average rent level. There are continued discussions for the sale of our holding in Melon Fashion Group, now valued at EUR 162m.

January–June 2023

- Rental income increased by 34 per cent to EUR 18,143k (13,576), due to a larger property portfolio as well as higher occupancy rates and higher average rent level. The rental income in a comparable portfolio increased by 12 per cent.
- Net operating income increased by 41 per cent to EUR 16,930k (12,049), corresponding to a surplus ratio of 93 per cent (89).
- Profit from property management increased by 49 per cent to EUR 8,651k (5,810), corresponding to EUR 0.39 per share (0.26).
- Unrealised value changes amounted to EUR -57,171k (33,457). Of these changes, EUR -24,702k (10,002) is attributable to properties, EUR -31,296k (18,412) to other investments, and EUR -1,173k (5,043) to derivatives.
- The holding in MFG is valued at EUR 162,059k based on the price level in ongoing sales discussions. Current level has mainly been affected by a depreciation of the rouble.
- Realised value changes and dividends amounted collectively to EUR 338k (6,552), comprising a dividend from MFG of EUR 238k (6,552), costs relating to a divestment of MFG of EUR -197k (-) and repayments from ECBPF2 of EUR 298k (-).
- Profit/loss for the period amounted to EUR -46,576k (43,311), corresponding to EUR -2.10 per share after dilution (1.95).
- Net letting was negative and amounted to EUR -173k (2,121). The economic occupancy rate was unchanged at 96.3 per cent (96.3).
- Property value amounted to EUR 582m (606).
- Unrealised value changes in properties were -4.1 per cent. The yield requirement used in valuations rose by 0.5 percentage points to 6.1 per cent.

Key events during the second quarter

- Eastnine was ranked first among the 361 companies on Nasdaq Stockholm in Allbright Foundation's ranking of gender equality in senior management and the Board.
- Eastnine has refinanced all bank loans that were maturing in 2023, amounting to EUR 56.5m. In connection with refinancing, a further EUR 10.5m in loans have been raised. These credits mature in October 2026.

Key events after the end of the period

- No significant events have taken place after the end of the period.

SELECTED KEY FIGURES	2023	2022	2023	2022
	Jan-Jun	Jan-Jun	Apr-Jun	Apr-Jun
Rental income, EURk	18,143	13,576	9,092	7,350
Profit from property management, EURk	8,651	5,810	4,102	3,131
Profit from property management per share, EUR	0.39	0.26	0.18	0.14
Net profit/loss for the period, EURk	-46,576	43,311	-34,867	76,603
Earnings per share after dilution, EUR	-2.10	1.95	-1.57	3.45
Return on equity, %	-20.5	22.0	-31.1	81.1

SELECTED KEY FIGURES	2023	2022
	30 Jun	31 Dec
Net loan-to-value ratio, %	41	38
Net loan-to-value ratio properties, %	52	51
Long-term net asset value per share, EUR	19.5	21.9
Long-term net asset value per share, SEK	230	243

1 EUR = 11.78 SEK as of 30 June 2023 (Source: Reuters). In this report, comparative figures in parentheses refer to the period January–June 2022 for income statement items, and as per 31 December 2022 for balance sheet items. "The Company" refers to the Eastnine Group.

This is Eastnine

Eastnine is a Swedish real estate company with modern and sustainable office properties in the Baltics and Poland.

Eastnine is listed on Nasdaq Stockholm Mid Cap and is headquartered in Stockholm.

Tenants are primarily large and stable international companies with long lease agreements.

TARGETS IN BUSINESS PLAN 2023

Operational	Status 30 June 2023
Property portfolio of at least EUR 700m by the end of 2023.	582 EURm
Profit from property management in the fourth quarter of 2023 (on an annual basis) to amount to EUR 25m.	EUR 16.4m (annualised Q2 2023)
Financial	
Dividend to amount over time to at least 50 % of profit from property management less current tax.	51 % ¹
Return on equity should be at least 10 % over time.	4.6 % (twelve months rolling)
The net loan-to-value ratio properties should be at most 60 %.	52 %
Equity/asset ratio should be at least 35 %.	54 %
Sustainability	
The property portfolio shall be sustainability certified on the level of LEED Gold, BREEAM Excellent, or higher. ²	94 %
The proportion of green financing shall increase.	62 % (64 % as of 31 Dec 2022)

¹ Based on dividend of SEK 3.40 per share. ² Excluding area that may be subject to extensive project development.

Vision

Eastnine shall create and provide the best venues where ideas can flow, people meet, and successful business can be developed.

Business concept

Eastnine shall be the leading long-term provider of modern and sustainable office and logistics premises in prime locations in selected markets in the Baltics and Poland.

Business model

Management

Property management shall take place in close cooperation with customers and shall be grounded in professionalism, sustainability and innovation, enabling both Eastnine and customers to reach their respective goals.

Refinement

The property portfolio shall be continually improved, by developing new properties and by investing in existing properties in order to increase the earning capacity.

Transaction

The property portfolio shall grow and be streamlined when necessary to secure a position as the leading provider of modern and sustainable offices and logistics premises in selected markets in the Baltics and Poland.

The property business is on track

The property operations exhibit strength, and profit from property management has risen by close to 50 per cent in spite of rising interest expenses. During the second quarter, we refinanced all loans maturing in 2023 and raised additional financing in connection with this, improving liquidity. There are continued discussions relating to a potential sale of MFG, but at a lower value than previously.



Strength in the real estate business

The real estate business continues to deliver results even while Eastnine, like all real estate companies, feels the effects of rising interest expenses. Profit from property management grew by 49 per cent during the first six months of the year, compared to the same period last year. This was primarily the result of Eastnine's acquisition of Nowy Rynek D in Poznan, Poland, in May 2022. A higher occupancy rate and higher rent level has also contributed. However, profit from property management for the second quarter was lower than in the first quarter, mainly due to rising interest expenses. The occupancy rate is at the same level as at the end of last year, 96.3 per cent. Net letting is negative during the period but should be considered in light of the high occupancy rate. Eastnine strives for a continued high occupancy rate in its properties, supporting this by improving its services to customers. By staying in close touch with our tenants, we are able to meet their needs at an early stage.

Financing and interest expenses

During the second quarter, we have refinanced all loans that were originally maturing in 2023. In connection with the refinancing of EUR 56.5m, we have also increased our borrowing by approximately EUR 10.5m, improving liquidity. We feel that conditions in the banking sector are still healthy.

Inflation is starting to decline in many countries, including Sweden. However, the downward trend has not

been sufficiently large, or sufficiently clear, for central banks to stop raising interest rates. As recently as last week, the Swedish central bank raised the key policy rate by 0.25 percentage points to 3.75 per cent, at the same time as the bank indicated that there may be at least one further increase during the autumn. The ECB's next monetary policy meeting is scheduled for the end of July. Naturally, we are closely monitoring the development of the inflation.

Negative unrealised value changes on properties

Rising yield requirements have meant that property yields on our markets have also turned upwards. During the first six months of the year, the average yield in our valuations rose by 0.5 percentage points to 6.1 per cent. The unrealised change in the value of the properties during the first half of the year amounted to EUR -24.7m, corresponding to -4.1 per cent. This negative change in value must be considered in the light of the last two years of positive value changes, totalling EUR 25.7m.

Discussions about a sale of MFG

The sales agreement signed in October 2022, for our share in MFG, was terminated during the first quarter of 2023. The reason for the termination was that there were still unfulfilled conditions in the agreement, and the assumption was that these would not be met. Since then, efforts to divest our holding have continued and at the end of the second

quarter, the sales discussions are still ongoing. In terms of value, these discussions are at a somewhat lower price level than before, mainly due to a depreciation of the rouble, which has led to a negative unrealised change in the value of MFG during the second quarter.

Eastnine at the top of the Allbright ranking

In terms of gender equality in senior management and Board of directors, Eastnine is the best of the 361 companies on the Nasdaq Stockholm. This is the outcome of the Allbright Foundation's annual comparison. We are happy and proud of this result; in our view, having as even a gender distribution as possible is a strength for the company. Of course, expertise in multiple dimensions and the ability to make use of that expertise in a team remains the most important things to all positions and in all recruitment processes – even if that, at certain points, may mean that either gender is relatively over-represented.

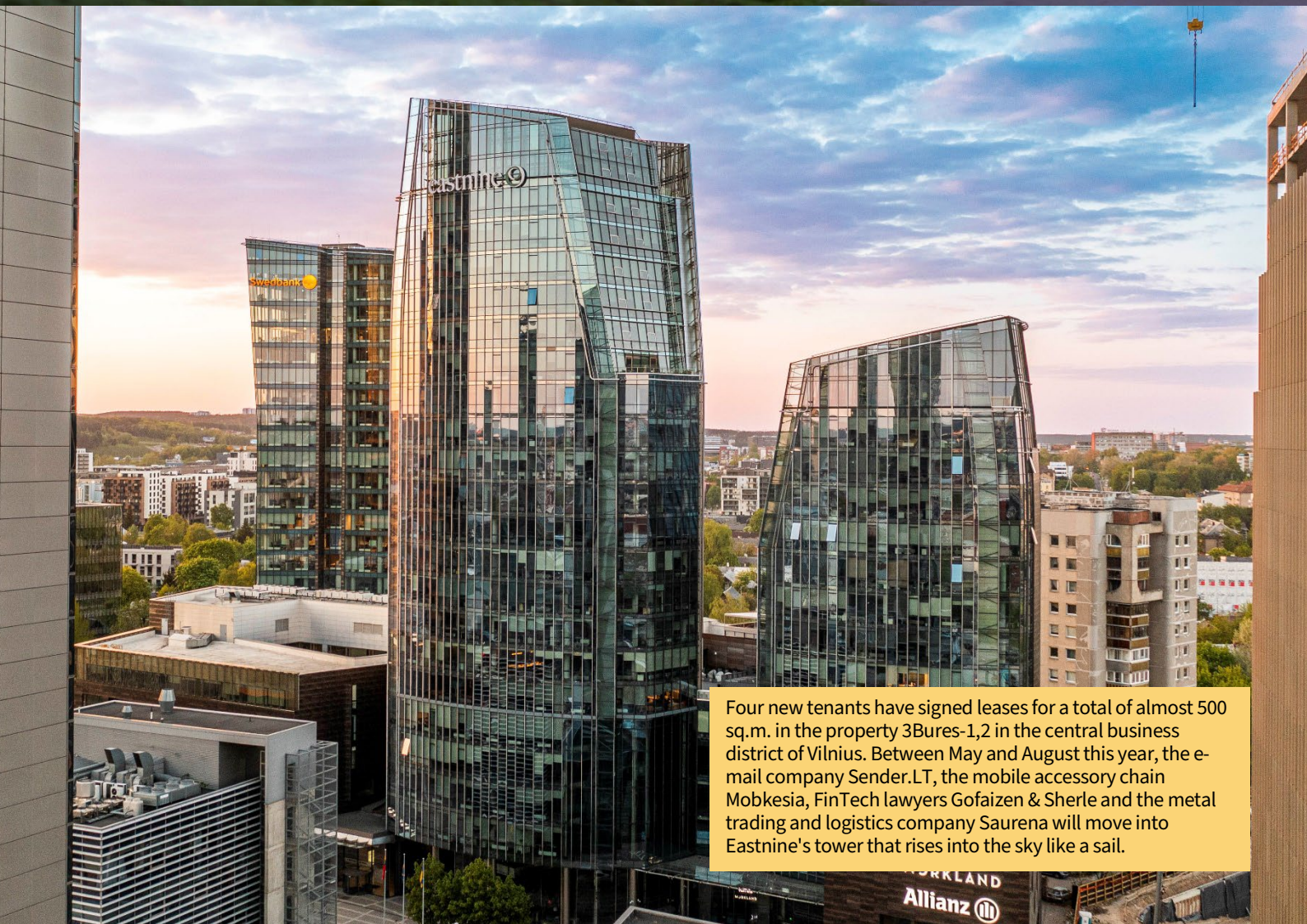
From all of us to all of you: have a great summer!

Kestutis Sasnauskas, CEO

“ During the second quarter, we have refinanced all loans that were originally maturing in 2023. In connection with refinancing, we have also raised additional capital, which improves liquidity.



Two companies have signed leases for around 260 sq.m. of office space in Eastnine's property Vertas-1 in Vilnius. In April, private equity company Livonia Partners moved in, and Norstat, who collects market research data, is planned to move in during the summer of 2023.



Four new tenants have signed leases for a total of almost 500 sq.m. in the property 3Bures-1,2 in the central business district of Vilnius. Between May and August this year, the e-mail company Sender.LT, the mobile accessory chain Mobkesia, FinTech lawyers Gofaizen & Sherle and the metal trading and logistics company Saurena will move into Eastnine's tower that rises into the sky like a sail.

Market

Inflation is broadly falling but is still too high, forcing continued interest rate hikes. The property markets in the Baltics as well as Poland are stable, in part because the sector's debt financing is mainly provided by banks. Demand for premises has declined slightly, but there is still healthy demand for high-quality offices.

Market development

In the first half of the year, the rate of inflation has gradually fallen from around 10 per cent in the eurozone, 15 per cent in Poland and 20 per cent in the Baltics to around 6 per cent in the eurozone and just over 10 per cent in both the Baltics and Poland in May. However, this rate of inflation is still higher than that targeted by central banks. Central bank interest rate increases have therefore continued during the second quarter of the year, and the five-year swap, a key measure for the real estate industry, has fluctuated around 3.2 per cent, with some volatility.

In Ukraine, the Ukrainian forces are carrying out a counter-offensive, while the Wagner Group's temporary advance on the Russian side of the border over the Midsummer weekend has increased the unpredictability of the war, which direct impact on Eastnine's markets is limited. Economically, the region and not least Poland, have proven resilient, although real growth is considerably suppressed and expected to lie under one per cent this year.

Rental market

Demand for office premises generally has declined due to poorer economic outlooks. There is a clear trend that many companies choose to upgrade their offices when their leases expire, moving to higher quality offices and in better locations, while companies are also able to lease smaller areas due to a higher degree of hybrid work.

The pace of new property development is high in Riga and Vilnius above all, but is expected to gradually slow

down. Planned projects have been put on the backburner by property developers during the last year, due to higher construction costs, more expensive financing and increased market uncertainty.

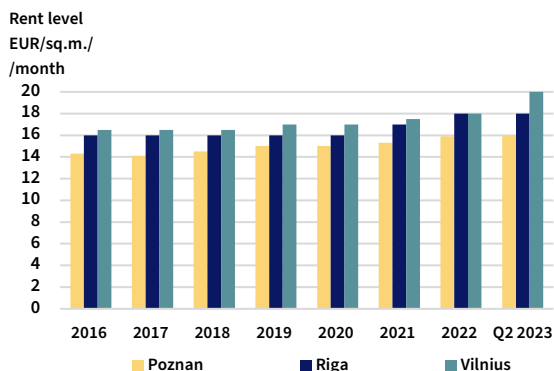
During the second quarter, both vacancy rates and rental levels were stable in Eastnine's markets. Top rents for high-quality offices in central locations were recorded at EUR 20 per square metre per month in Vilnius, EUR 18 in Riga and EUR 16 in Poznan, while the difference between rent levels for relatively better and relatively worse offices continues to grow.

Transaction market

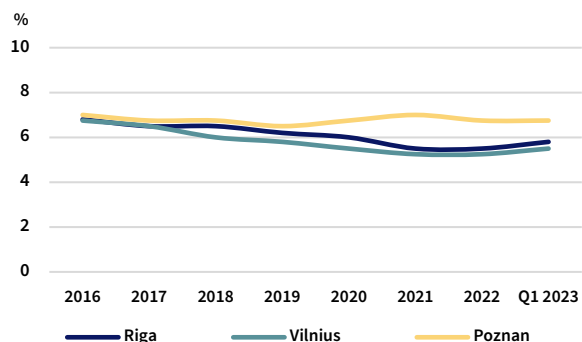
At the end of May, Baltic Horizon sold the office properties Duetto-1 and Duetto-2 in Vilnius to the fund manager East Capital in a transaction worth EUR 37m. In the same city, the Link office property has also changed owners. Outside of these transactions, transaction activity is low in both the Baltics and in Poland. Many investors have taken a careful attitude due to price uncertainty. So far, few property owners have been forced to sell, as properties in the sector are chiefly financed using bank loans, unlike in other markets such as Sweden.

Since the previous quarter, yield requirements for high-quality offices in central locations are estimated to remain unchanged in Poznan, but have risen in both Riga and Vilnius, according to Colliers. In general, yield requirements have adjusted more quickly in Poland, due to higher liquidity and visibility, than in the Baltics.

RENT LEVELS PRIME OFFICES



YIELD REQUIREMENT PRIME OFFICES¹



Source: Colliers, JLL, Newsec

¹ Data for the second quarter are not available at the time of the preparation of this report. However, indications are that the yield requirement for premium offices will increase in Q2 2023 in Vilnius and Riga, and remain unchanged in Poznan.

January–June 2023

Eastnine delivers the highest net operating income ever, both for the period and for a single quarter. Increased interest costs are holding back the profit from property management, which nevertheless amounts to a record high of EUR 0.39 per share. However, negative unrealised changes in value in the property portfolio and in other investments, result in negative earnings for the period.

Rental income

Rental income increased by 34 per cent during the period to EUR 18,143k (13,576), as a result of a larger property portfolio, improved occupancy rates and higher average rents. The rental income in a comparable portfolio increased by 12 per cent. The average rent level increased with EUR 10 per sq.m. to EUR 193 per sq.m. per year during the first six months of 2023.

Property expenses

Property costs have decreased by 21 per cent to EUR -1,213k (-1,527). Property expenses have decreased, in spite of a larger property portfolio and primarily due to on average a higher occupancy rate. A large proportion of the operational costs for a property is charged to the tenants in accordance with their leases. Only those property costs which are not charged to the tenants are included in the Company's property expenses. This means that carried property expenses are affected, among other things, by changes in the vacancy rate.

Net operating income and profit from property management

Net operating income increased by 41 per cent to EUR 16,930k (12,049) and the surplus ratio amounted to 93 per cent (89). The increase in net operating income is primarily attributable to higher rental income.

Central administration expenses amounted to EUR -1,924k (-2,094), inter alia due to lower staff costs. Interest expenses have increased to EUR -6,185k (-3,976) due to new loans being raised in connection with acquisitions as well as higher interest rates.

The profit from property management increased by 49 per cent to EUR 8,651k (5,810), corresponding to EUR 0.39 (0.26) per share. The increase in profit from property management is mainly attributable to higher net operating income, while increased interest expenses had a negative impact on profit. Profit from property management in the second quarter was lower than in the first quarter, mainly due to higher interest expenses.

Earnings

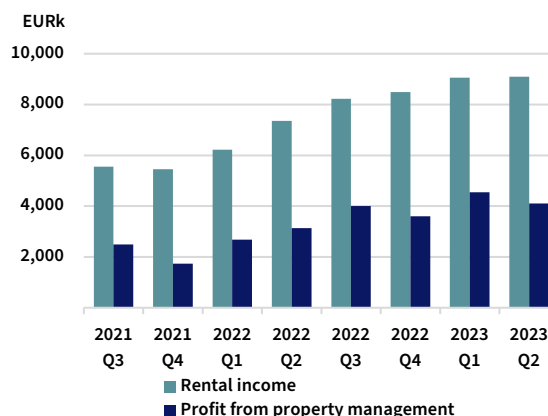
Unrealised value changes amounted to EUR -57,171k (33,457), of which EUR -24,702k (10,002) related to properties, EUR -31,296k (18,412) to other investments, and EUR -1,173k (5,043) to derivatives. Realised value changes and dividends amounted to EUR 338k (6,552). The item includes dividends from MFG, costs for divestment of MFG and payment from East Capital Baltic Property Fund II. For more information, see pag. 14. Profit before tax amounted to

EUR -46,576k (43,311) and the period's comprehensive income to EUR -46,244k (43,311).

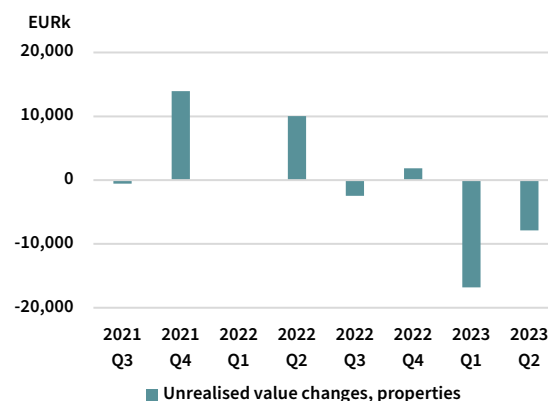
Segment reporting

Properties in Lithuania generated a profit from property management of EUR 8,606k (7,558) and a net profit for the period of EUR -8,679k (20,164). Properties in Latvia generated a profit from property management of EUR 901k (865), and a net profit for the period of EUR -3,375k (629). Properties in Poland generated a profit from property management of EUR 2,767k (710) and a net profit for the period of EUR 60k (876). For the segment Other investments, the net profit for the period amounted to EUR -30,958k (24,964), of which unrealised value changes amounted to EUR -31,296k (18,412) and realised value changes and received dividends to EUR 338k (6,552). Unallocated central administration expenses, interest expenses and other financial income and expenses amounted to EUR -3,624k (-3,323).

RENTAL INCOME AND PROFIT FROM PROPERTY MANAGEMENT



UNREALISED VALUE CHANGES IN PROPERTIES



Earnings and financial position in summary

Summary, EURk	2023 Jan-Jun	2022 Jan-Jun
Rental income	18,143	13,576
Property expenses	-1,213	-1,527
Net operating income	16,930	12,049
Central administration expenses	-1,924	-2,094
Financial income/expenses	-6,356	-4,145
Profit from property management	8,651	5,810
Unrealised value changes	-57,171	33,457
Realised value changes and dividends from investments	338	6,552
Current/deferred tax	1,606	-2,508
Net profit for the period	-46,576	43,311
Translation differences for foreign operations	332	0
Comprehensive income for the period	-46,244	43,311

Summary, EURk	2023 30 Jun	2022 31 Dec
ASSETS		
Investment properties	582,482	606,222
Derivative instruments	9,243	11,022
Other assets	8,819	7,055
Cash and cash equivalents	29,287	19,820
Securities holdings for sale	162,059	193,355
TOTAL ASSETS	791,890	837,474
EQUITY AND LIABILITIES		
Equity	425,649	478,508
Interest-bearing liabilities	333,065	326,882
Deferred tax liabilities	17,034	18,788
Other liabilities	16,142	13,296
TOTAL EQUITY AND LIABILITIES	791,890	837,474

Profits by segment in summary

EURk	2023 Jan-Jun	2022 Jan-Jun
Properties in Lithuania		
Profit from property management	8,606	7,558
Unrealised value changes, properties	-17,736	10,681
Unrealised value changes, derivatives	-1,164	4,335
Current/deferred tax	1,614	-2,410
Net profit Properties in Lithuania	-8,679	20,164
Properties in Latvia		
Profit from property management	901	865
Unrealised value changes, properties	-4,235	-680
Unrealised value changes, derivatives	-40	444
Current/deferred tax	-1	-
Net profit Properties in Latvia	-3,375	629
Properties in Poland		
Profit from property management	2,767	710
Unrealised value changes, properties	-2,731	-
Unrealised value changes, derivatives	31	264
Current/deferred tax	-8	-98
Net profit Properties in Poland	60	876
Other investments		
Unrealised value changes	-31,296	18,412
Realised value changes and dividends	338	6,552
Net profit Other investments	-30,958	24,964
Unallocated		
Central administration and other operating expenses	-1,924	-2,094
Unallocated net financial income/expense	-1,701	-1,229
Profit Unallocated	-3,624	-3,323
Net profit for the period	-46,576	43,311

Financing

Eastnine’s activities are primarily financed with equity, bank loans and a bond. Eastnine has set risk-limiting financing targets, which entail that the net loan-to-value ratio for properties shall not exceed 60 per cent, and that the equity/asset ratio should be at least 35 per cent. The net loan-to-value ratio for properties amounted to 52 per cent (51) at the end of the period. The loan-to-value ratio has increased due to increased bank lending (net of new credit and amortisations) and lower property value. The equity/asset ratio was 54 per cent (57).

Equity amounted to EUR 425,649k (478,508) and interest-bearing liabilities to EUR 333,065k (326,882), of which the bond comprised EUR 45,000k (45,000). Green financing comprised 62 per cent (64) of total interest-bearing liabilities. During the period, two new bank loans totalling EUR 10,519k have been taken up and loans totalling EUR 56,481k have been refinanced. These credits mature in October 2026. After refinancing, Eastnine has no remaining debt maturing in 2023. Unutilised overdraft credit facilities amounted to EUR 3,000k (3,000).

The average interest rate was 4.0 per cent (3.4), the average fixed interest term was 1.5 years (1.8) and the average capital tie-up period was 2.4 years (2.3). All interest-bearing debts, except the unutilised overdraft facility, carry variable interest indexed to Euribor 3M or 6M. 64 per cent (71) of the total interest-bearing liabilities have been hedged using derivatives.

During the period, repayment of debt amounted to EUR 4,336k. The annual repayment rate according to the agreements amounted to EUR 7,486k (8,301) at the end of the period, corresponding to 2.2 per cent (2.5) of interest-bearing liabilities. Eastnine’s derivatives comprised EUR 214,302k (230,679) in interest rate swaps. The derivatives are measured at fair value and any value changes

are recognised through profit or loss, with no effect on cash flow. The fair value of the derivatives amounted to EUR 9,849k (11,022). At the end of the term, the value of derivatives is always zero.

KEY FIGURES FOR BOND

	2023 30 Jun
Net loan-to-value ratio, properties, %	52
Interest coverage ratio, pro forma, x	2.35

Tax

The period’s tax expenses amounted to EUR 1,606k (-2,508), of which tax in Lithuania was EUR 1,614k, in Latvia EUR -1k and in Poland EUR -8k. Current tax amounted to EUR -183k, of which EUR -182k is related to Poland and EUR -1k to Latvia. The deferred tax liability is primarily attributable to the difference between the stated value of properties and their tax value, as well as tax losses carried forward.

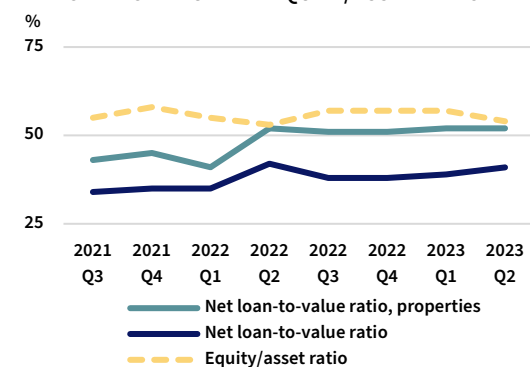
Net asset value and equity per share

Long term net asset value per share was EUR 19.5 (21.9) at the end of the period, corresponding to SEK 230 per share (243). Equity per share was EUR 19.2 (21.5) corresponding to SEK 226 per share (240).

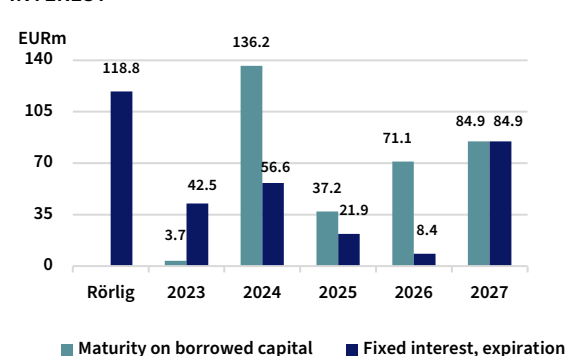
Cash flow

Cash flow from operating activities before changes in working capital amounted to EUR 9,009k (15,202) for the period. Change in working capital was EUR -1,747k (-3,553). Cash flow from investing activities amounted to EUR -675k (-108,781) and cash flow from financing activities to EUR 2,866k (86,418). Cash flow for the period amounted to EUR 9,452k (-10,714) and the exchange rate difference for the period amounted to EUR 15k (34). Cash and cash equivalents at the end of the period amounted to EUR 29,287k (19,820).

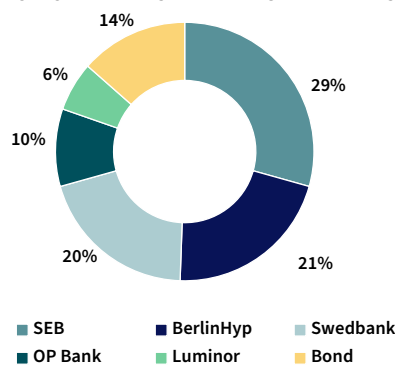
NET LOAN-TO-VALUE AND EQUITY/ASSET RATIO



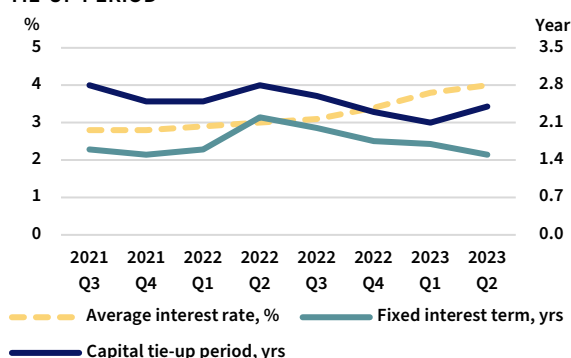
MATURITY STRUCTURE INTEREST-BEARING DEBT¹ & INTEREST



DISTRIBUTION OF INTEREST-BEARING LIABILITIES



INTEREST RATE, FIXED INTEREST TERM AND CAPITAL TIE-UP PERIOD



¹ Including repayments.

Property portfolio

Property value has declined during the period to EUR 582m (606). Negative unrealised value changes amounted to close to EUR 25m, corresponding to -4.1 per cent. The value change is primarily due to the higher yield requirements that have applied to the valuations, which on average increased by 0.5 percentage points to 6.1 per cent.

Property portfolio

On 30 June 2023, Eastnine's property portfolio comprised 13 modern office properties and one development property with a combined market value of EUR 582m (606). The properties are located in urban locations in Riga, Vilnius and Poznan with good transport links and accessibility. 96 per cent of the lettable area consisted of office premises, and the remaining 4 per cent were chiefly premises for services and retail.

The economic occupancy rate has been unchanged during the period, at 96.3 per cent (96.3), and the area-based occupancy rate was 96.0 per cent (96.0). Rental value has increased to EUR 37.8m (35.7). The surplus ratio has improved, at 93 per cent, compared to 91 per cent in 2022. The average age of the property portfolio, excluding buildings on the Kimmel development site, was 9.3 years (8.8) at the end of the period.

Lithuania

In Vilnius, the capital of Lithuania, Eastnine's modern and sustainable office properties are concentrated in three areas: the central business district, around the parliament buildings, and in the exciting development area near the central station. A large part of the class A offices in Vilnius is located in the central business district, along the street Konstitucijos prospektas, north of the river Neris. This is where Eastnine's three S7 properties, and two 3Bures properties, are located. Eastnine's properties Vertas-1, Vertas-2, and Uniq are located in the parliamentary district. Uptown Park is located in an area with a number of newly-constructed buildings, close to the central station and just outside Vilnius' old town.

At the end of the second quarter, Eastnine's combined lettable area in Vilnius comprised roughly 121,200 sq.m., corresponding to an 11 per cent market share of the office market in the city. Rental value has increased during the period to EUR 24.7m (23.7). Property value was EUR 386.7m (403.7) at the end of the period.

Poland

In Poland's fifth largest city, Poznan, Eastnine owns the Nowy Rynek D office property. The property is centrally located in Poznan's business district, close to both the central station and the Old Town. At the end of the second quarter, Eastnine's lettable area in Poznan amounted to around 39,300 sq.m., which is estimated to correspond to a 6 per cent market share of the office market in the city. The rental value amounted to EUR 8.4m (7.5) and the property value to EUR 118.2m (120.9) at the end of the period.

Latvia

Riga, the capital of Latvia, does not as yet have a clearly delineated central business district and modern office buildings are being developed in a number of micro-areas. All of Eastnine's office properties are located in the centre of the city, along one of the city's most prominent streets, Krisjana Valdemara iela, as well as the adjacent Zala iela. The total lettable area in the property portfolio amounted to around 22,500 sq.m., which is estimated to correspond to a 4 per cent market share of the office market in the city. Rental value amounted to EUR 4.7m (4.5). The property value, including development properties, amounted at the end of the period to EUR 77.6m (81.6), of which development properties contributed EUR 12.3m (12.3).

PROPERTY PORTFOLIO PER SEGMENT

Segment	Lettable area, sq.m.				Total area	Whereof vacant area, sq.m.	Economic occupancy rate, %	Property value, EURm	Share of value, %
	Offices	Retail and services	Other						
Lithuania	117,380	3,326	506		121,212	4,063	97.1	386.7	67
Poland	38,417	576	265		39,258	-	100.0	118.2	20
Latvia	20,007	2,475	25		22,507	3,319	85.7	77.6	13
Total	175,804	6,377	796		182,977	7,382	96.3	582.5	100

Property development

At the end of the period, Eastnine had three future development projects.

The Pine, a project in Riga, is planned to be constructed directly adjacent to an existing building on the Alojās Biroji property and is expected to comprise around 15,600 sq.m. of lettable area. The Kimmel development property, consisting of land in central Riga, is estimated to amount to around 35,000 sq.m. lettable area. Eastnine is planning to construct a new office building, 3Bures-4, on an existing site beside the 3Bures properties in Vilnius’ central business district. The building is expected to comprise around 13,200 sq.m. of lettable area.

All projects have been put on hold due to high construction costs and a considerable uncertainty relating to new development.

Value changes in properties

The combined value of the properties decreased during the period to EUR 582.5m (606.2). Investments in existing properties added EUR 1.0m, while unrealised value changes reduced the value by EUR 24.7m, corresponding to -4.1 per cent. Both higher market rents and rent indexation have had

a positive impact on property values, while a higher yield requirement resulting from sharply increased interest rates has had the opposite effect. The weighted yield requirement has continued to increase to 6.1 per cent during the quarter, compared to 5.9 per cent in the first quarter and 5.6 per cent at the beginning of the year.

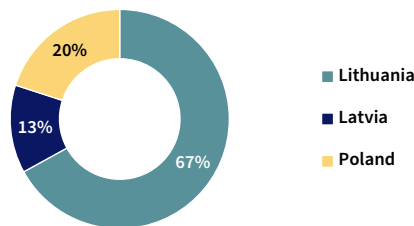
Acquisitions and investments in the property portfolio

No acquisitions have taken place during the quarter. Investments in existing properties have primarily related to investments for existing and new tenants.

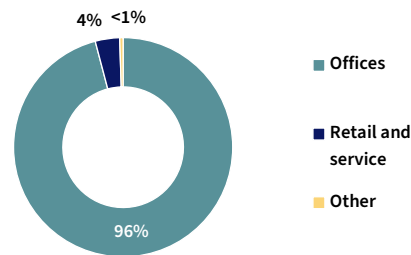
CHANGE IN PROPERTY VALUES, EURK

	2023 Jan-Jun	2022 Jan-Dec
Property values at the beginning of the year	606,222	469,817
Property acquisitions	-	120,906
Investments in existing properties	962	6,116
Unrealised value changes	-24,702	9,383
Property values at the end of the period	582,482	606,222

PROPERTY VALUE BY SEGMENT



PREMISE AREA BY CATEGORY



Leases totalling approximately 830 sq.m. have been signed for premises in Eastnine's property Alojās Biroji in Riga during the second quarter. The largest lease has been signed for a cardiology clinic, which will move in during the beginning of next year. In addition, three smaller shops have moved into the property during the quarter: a bakery, a florist's and an IT service and repair provider.

Modern offices in geographical focus areas

The office is part of a company’s brand, and represents a meeting place where the company’s values interact with people and their values. Eastnine offers sustainable and modern premises in central locations to tenants who place an emphasis on the indoor environment, working climate, reception, services provided, and sustainability. Eastnine’s strategy is to hold a considerable market position in order to be able to offer alternatives to tenants wishing to move to larger or smaller spaces. The premises are designed based on the tenants’ needs and identity, and the majority of the properties feature a reception area and access to cafés, restaurants, gyms, tailoring and dry-cleaning services, as well as parking for cars and bicycles.

Being an Eastnine tenant

In the Baltics and Poland, the majority of lease agreements have fixed terms, meaning that they expire unless a new agreement is entered into. A lease extension, therefore, requires that both parties actively renegotiate. Leases may also include a unilateral right for the tenant to terminate the agreement prematurely.

Eastnine strives to use its local presence to foster long-term relationships that generate added value in a spirit of cooperation and commitment as well as a high degree of service. As a landlord, Eastnine endeavours to be responsive to tenants and invites tenants to continuous dialogue to discuss their future needs for premises.

Lease agreements and annual rents

Annual rents under contract amounted to EUR 36.4m at the end of the period, of which 59 per cent was contracted annual rent for the ten largest tenants. The average remaining term for all lease agreements amounted to 4.1 years.

At the end of the period, the average annual rent for premises amounted to EUR 193 per sq.m. The average annual rent was EUR 192 per sq.m. in Lithuania, EUR 184 per sq.m. in Latvia, and EUR 201 per sq.m. in Poland. The total rental income across the lifetime of all agreements amounted to EUR 147.3m, of which EUR 33.6m derives from agreements that expire in 2027 or later. Eastnine applies monthly rent for all of its office premises. Eastnine typically receives a safety deposit from its tenants corresponding to 2–3 months’ rent at the time the lease is signed.

Lettings, renegotiations and terminations

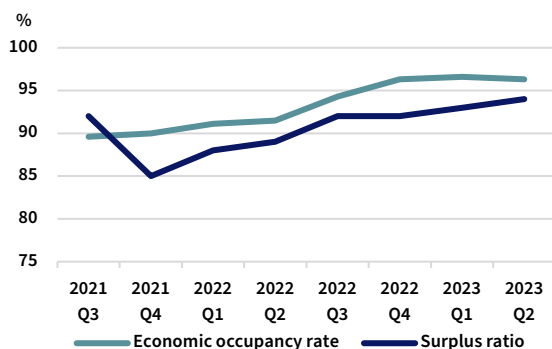
Net letting during the period, i.e. signed leases less terminated leases, amounted to around -3,701 sq.m., corresponding to annual rents of EUR -173k, of which -3,980 sq.m. or EUR -238k was net letting during the second quarter. The average annual rent for newly signed leases during the second quarter amounted to EUR 194 per sq.m., and the average level when renegotiating leases was EUR 219 per sq.m. per year. The net letting figure includes around 1,700 sq.m. to be occupied after the end of the period, and around 8,100 sq.m. to be vacated, of which 5,300 sq.m. will be vacated in the fourth quarter.

LARGEST TENANTS

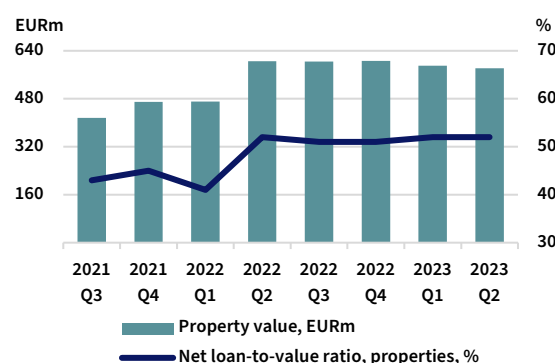
Tenant	Annual rent, EURk ¹	Share of annual rent under contract, %	Sq.m.
Allegro	5,676	16	26,283
Danske Bank	4,973	14	26,588
Telia	3,044	8	15,952
Swedbank	2,033	6	11,266
Vinted	1,878	5	9,605
Rockwool	1,421	4	6,870
Twoday	807	2	3,908
Citco	747	2	3,009
Invalda Technology Group	582	2	3,102
Bentley Systems	484	1	2,802
Total	21,645	59	109,384

¹ Annual rent comprises agreed-upon income from premises, parking as well as other income.

ECONOMIC OCCUPANCY RATE AND SURPLUS RATIO



PROPERTY VALUE AND NET LOAN-TO-VALUE RATIO



Market value, property portfolio

Properties are valued quarterly, including one external valuation by a certified valuation institute at least once during a rolling 12-month period.

The market value has decreased to EUR 582.5m (606.2) at the end of the period.

For more information about the valuation model, the assessments used and property values, please also refer to the 2022 Annual Report, note 10 (Investment properties).

Valuation model and process

The external valuations are carried out in accordance with international valuation standards (IVS 2020). When external valuations are carried out, the properties are always inspected on site. External valuations have, during the second quarter, been carried out by Colliers International Advisor, Colliers Poland and Newsec.

The market value of acquired properties is initially deemed to correspond to the acquisition cost. As for development properties, where there are uncertainties about the final cost of the project and future lease agreements may be absent, the fair value is deemed to correspond to the costs paid unless other information is available at the time of valuation that indicates that the property has a lower value.

In the Baltics, the valuation model used is based on present value cash flows for a five or ten-year calculation period, with supplements for the present value of the residual value at the end of the calculation period. The cash-flow determinations with a longer calculation period than five years are normally applied to properties with only one or a handful of tenants with long lease terms, where the cash flow is more predictable.

In Poland, the external valuation has been carried out using the “hardcore method”, which entails capitalisation of current rental income less/plus the difference between market rent and current rent.

Valuation assumptions

Property valuations are based on assessments and assumptions, made at the time of the valuation, of both observable and non-observable input data.

- **Observable data:** Includes e.g. current rental income, historical property expenses and investments as well as the current inflation.
- **Non-observable data:** Includes e.g. yield requirements, discounting rate, future inflation, assessed market rent and long-term vacancy rates.

Non-observable data in the valuation model

The estimated current market rent in these valuations averaged EUR 16.0 per sq.m. per month (15.5). The long-term inflation for market rents has been estimated at 1.6 per cent (2.0). The long-term vacancy rate has been set at an average of 4.5 per cent (4.5). The weighted yield requirement was 6.1 per cent (5.6) and the weighted discount rate was 7.6 per cent (7.6).

VALUATION ASSUMPTIONS

	2023 30 Jun	2022 31 Dec
Average market rent, EUR/sq.m./month	16.0	15.5
Average property investments, % of rental income	3.4	2.8
Investment for new letting, EUR/sq.m.	160-550	160-250
Long-term vacancy rate, %	4.5	4.5
Long-term inflation on market rents, %	1.6	2.0
Weighted yield requirement, %	6.1	5.6
Weighted discount rate, %	7.6	7.6

RENTAL VALUE AND ECONOMIC OCCUPANCY RATE

Premise area by category	Sq.m.	Rental value, EURm	Rental value, EUR/sq.m./year	Economic occupancy rate, %
Offices	175,803	34.1	194	96.7
Retail and services	6,377	1.2	186	91.6
Parking	-	2.2	-	94.2
Other ¹	797	0.3	120	92.5
Total	182,977	37.8	194	96.3

¹Includes rental value for warehouse premises and other contracted rental income in addition to rents for offices, retail and services, and parking.

Current earning capacity, properties

In order to facilitate the assessment of the Company's current position, Eastnine reports on current earning capacity. Earning capacity is a theoretical assessment to describe the Company's current earnings on 30 June 2023.

Earning capacity provides a snapshot

Earning capacity is not to be regarded as a forecast for the coming twelve months, but as a snapshot of the potential earnings Eastnine can generate under given circumstances. It is based on the property portfolio held on the reporting date.

Earning capacity comprises current lease agreements, but does not take into account an assessment of the future development of rents, vacancy rates, property costs, interest rates, value changes or other factors that may affect earnings.

Eastnine's calculated earning capacity is based on the following assumptions about income and costs:

- Rental income refers to contracted income on the reporting date.
- Property costs and central administration costs comprises the corresponding costs for the last twelve-month period on the reporting date (applies from the second quarter; previously, this was a rounded assessment based on property holdings/employees as of the reporting date).
- Interest expenses have been calculated based on interest-bearing liabilities on the reporting date and the average interest rate.
- Other financial income and expenses have been estimated to correspond to the budget plus any future annual expenses incurred during the period.

Comment to earning capacity

- Rental value and rental income are essentially unchanged compared to the first quarter.
- The vacancy rate has increased due to a decrease in the occupancy rate during the quarter.
- Property costs have fallen due to, among other things, lower electricity and heating costs as well as low costs for repairs and maintenance.
- Central administration expenses have increased, primarily as a result of changed calculation assumptions.
- Interest expenses have increased as a result of new borrowing and higher interest rates.
- The profit from property management has fallen, primarily due to the increased interest expenses.
- The forward-looking yield requirement is rising, as a result of the net operating income staying the same while property values fall.

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

	2023 30 Jun	2023 31 Mar	Change, unit
Key figures, current earning capacity			
Surplus ratio, %	93	92	+1
Interest coverage ratio, x	2.2	2.4	-0,2
Debt coverage ratio, x	11.1	10.9	+0,2
Average interest rate, %	4.0	3.8	+0,2
Prospective yield, %	5.8	5.7	+0,1
Prospective yield excl. development properties, %	6.0	5.8	+0,2
Investment properties, EURk	582,482	589,922	-7 440

Other investments

During the first quarter, the sales agreement for the holding in MFG was terminated. Sales discussions with other potential buyers have continued during the second quarter, and the price level was adjusted down to EUR 162m, which also represents book value at the end of the period. Eastnine has received EUR 298k from East Capital Baltic Property Fund II, in connection to the termination.

Melon Fashion Group

MFG is one of the leading players in the Russian fashion industry with a business model based on in-house design with production in Asia. The retail network consisted, at the end of the second quarter, of a total of 902 stores (867), of which 214 (224) were franchises. MFG operates the brands Befree, Zarina, Love Republic and Sela, aimed at different target groups. This year, the company will launch a new brand, Idol.

The period January–May 2023

MFG reported a positive sales development and improved profitability during the period January–May 2023, as sales increased by 38 per cent to RUB 21.0 billion (15.2), based on the company's preliminary income statements. EBITDA increased by 43 per cent to RUB 5.8 billion (4.1). The EBITDA margin was 27.8 per cent (27.0). E-commerce sales amounted to 32 per cent (33) of total sales. MFG continues to enjoy good liquidity.

Discussions for the sale of MFG holding

Eastnine's agreement for the sale of its entire stockholding in MFG, for around EUR 193m, that was signed in October 2022, was mutually terminated by both parties in March 2023. The previously agreed sale price represented Eastnine's book value of the holding at the end of December 2022 as well as at the end of the first quarter of 2023. The investment in MFG is now valued at EUR 162m, based on the price level in ongoing sales discussions. Current level has mainly been affected by a depreciation of the rouble. Eastnine owns around 36 per cent of MFG and the holding is unburdened.

The unrealised value change during the period amounted to EUR -31,296k (18,393). Realised value change during the period amounted to EUR 41k, of which dividends received during the period amounted to EUR 238k (6,552) while divestment costs of EUR -197k were charged to the value change. Total return on the holding amounted to -16.2 per cent (23.1).

East Capital Baltic Property Fund II

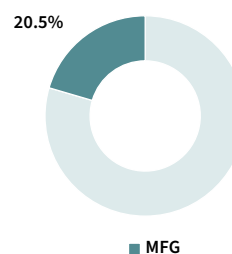
East Capital Baltic Property Fund II (ECBPF2) is under termination after all assets in the fund have been divested. Eastnine received a payment from ECBPF2 of EUR 298k during the period. The remaining fund holding is valued at zero.

KEY FIGURES EASTNINE'S HOLDING IN MFG

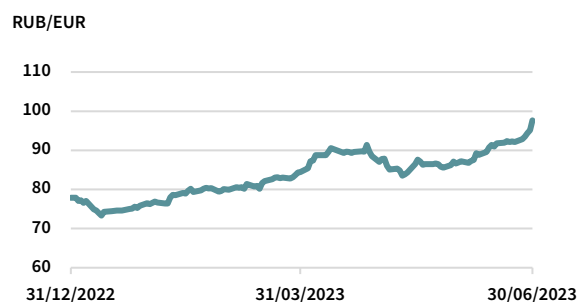
	2023	2022
Eastnine's holding	Jan-Jun	Jan-Jun
Unrealised value change, EURk	-31,296	18,393
Realised value change and dividend, EURk	41	6,552
Total return, %	-16.2	20.5

	2023	2022
Eastnine's holding	30 Jun	31 Dec
Eastnine's share, %	36	36
Fair value of Eastnine's holding, EURk	162,059	193,355
Proportion of Eastnine's assets, %	20.5	23.1

MFG HOLDING AS A PROPORTION OF EASTNINE'S ASSETS



ROUBLE EXCHANGE RATE



Other information and accounting policies

General information

Eastnine AB (publ), corporate ID no. 556693-7404, is a Swedish limited company, listed on Nasdaq Stockholm, with its registered office in Stockholm. The Group's real estate operations are managed by wholly owned subsidiaries in each of the Eastnine Group's countries of operation. At the end of the period, the Eastnine Group employed 23 full-time employees, of which nine were employed at the head office in Stockholm, nine in Vilnius and five in Riga. The Company and the Group's interim report concerns the period January–June 2023. All figures are presented in EUR thousands unless otherwise stated. Rounding differences may occur.

Risks and uncertainties

The dominant risks in Eastnine's operations are commercial risks in the form of changes in rent levels, vacancies, and interest rates, as well as changes in the economic or business climate, and exchange rates in the markets where Eastnine operates. External risks such as changes in the macroeconomic situation, local risks, political and plan risks, as well as the risk of changes in the value of properties as well as of non-property-related holdings, may also have a certain impact on Eastnine's operations.

High inflation have resulted in higher financing expenses and have thereby had a negative impact on profitability. Generally worse economic outlook, with an increased risk of a recession, may affect tenants' ability to pay and the demand for offices. There is also a risk of negative value changes on investment properties. Such changes impact the income statement.

Input data and assessments may be incorrect and conditions may come to change, which in turn can cause value changes. The holding in MFG entails exposure to Russia. The Russian invasion of Ukraine has shown that the

risk of Russian investments is considerable. For more information, please refer to pg. 14.

An account of Eastnine's material risks is provided in the Company's 2022 Annual Report on pgs. 54–60. A current analysis of the market conditions is provided in the Market section on pg. 5.

Parent company

Net profit/loss for the period amounted to EUR -28,212k (24,677). The result includes unrealised change in value attributable to MFG of -31,296k EUR (18,393). For the Parent Company's income statement and balance sheet, see pg. 25.

Dividend

At the 2023 Annual General Meeting, which was held on 3 May, the AGM decided on a dividend of SEK 3.40/share (3.00), to be paid on four occasions, quarterly, with each payment amounting to SEK 0.85/share. The proposed dividend comprises 51 per cent of the profit from property management after applicable taxes, calculated using the exchange rate prevailing at the end of 2022. The first payment took place in May 2023.

Outcomes in the incentive program LTIP 2020

Eastnine's 2020 AGM decided to introduce a long-term incentive programme for employees of the company (LTIP 2020). The programme lasted for three years. At the end of the term, the aggregate fulfilment rate for the terms of the LTIP was 59.1 percent. The Board will decide on the final allocation to the participants as soon as possible, but no later than 45 days after the publication of Eastnine's interim report for the period January-June 2023. Participants may be allotted a maximum of 23,262 shares.



Eastnine ranks first on the green list when the Allbright Foundation reports its annual gender equality review of 361 companies on the Stockholm Stock Exchange. Eastnine has 50/50 per cent women and men in both senior management and the board.

Sustainability

Eastnine undertakes active sustainability efforts. Eastnine's target is to obtain sustainability certificates for 100 per cent of the certifiable area, and for those certificates to be on the level of at least LEED Gold or BREEAM Excellent. Sustainability disclosures for the period are provided below. A more detailed description of the Company's material issues, sustainability targets, GRI indicators, etc., is available in the Annual Report 2022.

Sustainability disclosures during the period:

- In the Allbright Foundation's review of gender equality in senior management and boards of Sweden's 361 listed companies, Eastnine is ranked number one on the green list. With a 50/50 per cent distribution of men and women in both the board and senior management, Eastnine is thus Sweden's most gender-equal listed company.
- In the second quarter, Eastnine's Polish property Nowy Rynek D obtained a WELL Gold certification, which addresses the health and well-being of the tenants who work in the building. The certification adds to the building's existing WELL Health and Safety certification.
- The property Zala 1 in Riga obtained, during the first quarter, a renewed LEED Platinum certification for an existing building, at the same high level of certification as previously.
- At the end of the period, 94 per cent (94) of the property area was sustainability-certified¹ at the level of at least LEED Gold or BREEAM Excellent. Ongoing certifications at the end of the period related to 6 per cent of the property area.
- The proportion of green leases amounted to 68 per cent (68).
- Green financing accounts for 62 per cent (64) of interest-bearing liabilities.

Accounting policies

The financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") as approved by the European Commission for application within the European Union. In addition, the Swedish Financial Reporting Board's recommendation RFR 1 (Supplementary accounting rule for groups) has been applied. The accounting policies have been consistently applied to all periods presented in the financial statements, unless otherwise stated.

The interim report has been prepared in accordance with the International Accounting Standards (IAS) 34 Interim Financial Reporting and the Swedish Annual Accounts Act (Årsredovisningslagen). The accounting policies and calculation methods are in all material respects unchanged compared to those applied for the 2022 annual report.

The interim report should be read together with the annual report. None of the new or amended IFRS standards or new interpretations from the IFRS Interpretations Committee are currently considered to impact Eastnine's earnings or financial position.

Investment properties

Investment properties have initially been valued at the acquisition value, and thereafter at the fair value in accordance with IAS 40. Valuation of the group's investment properties have been made in accordance with Level 3 of IFRS 13.

Securities holdings for sale

The holding in MFG is valued at approximately EUR 162m at the end of June 2023. The valuation, which is based on the price level in ongoing sales discussions, has been affected by depreciation of the rouble.

Interest-bearing liabilities

Eastnine's liabilities to credit institutions and bondholders have been valued at amortised cost.

Derivatives

Derivatives have been valued at fair value in accordance with level 2 of IFRS 13.

Parent Company's accounting policies

The Parent Company has prepared its accounts in accordance with RFR 2, Reporting of a legal entity, as well as the Swedish Annual Accounts Act (Årsredovisningslagen) and apply the same accounting policies, calculation methods and valuation methods as at the last annual report.

Segment reporting

Eastnine classifies and evaluates its various segments based on geography as well as the nature of the investments. The Company's senior management and Board monitor the holdings using the following segments: Properties in Lithuania, Properties in Latvia, Properties in Poland and Other investments.

Related parties

Eastnine AB has a related party relationship with its subsidiaries, see Note 29 in the 2022 Annual Report, as well as with Board members and employees. Eastnine's executive management, board members and their immediate family members and associated companies controlled, at the end of the period, 30 per cent (30) of the votes in the Company.

Key events after the end of the period

No significant events have taken place after the end of the period.

¹ Sustainability-certified property area refers to area which has been certified at least LEED Gold or BREEAM Excellent, in relation to total area excluding the Kimmel property, which is expected to undergo significant redevelopment.

Assurance from the Board and CEO

The Board and the CEO certifies that the interim report presents a true and fair view of the Parent Company's and the Group's operations, financial position and profits and describes the significant risks and uncertainties facing the Company and the Group.

This report has not been subject to review by the Company's auditors.

Stockholm, 7 July 2023

Liselotte Hjorth
Chairman of the Board

Christian Hermelin
Board member

Peter Elam Håkansson
Board member

Hanna Loikkanen
Board member

Ylva Sarby Westman
Board member

Peter Wågström
Board member

Kestutis Sasnauskas
CEO

The share

Since the beginning of the year, Eastnine’s share price has fallen by 8 per cent. The sector index, OMX Stockholm Real Estate GI, fell by 12 per cent during the same period. The long-term net asset value per share has declined since the beginning of the year, amounting to SEK 230.

Share price development and volume

Eastnine's share price was SEK 111.4 (120.8) at the end of the second quarter, a decline of 8 per cent since the beginning of the year. The highest closing price was recorded on 13 February, at SEK 131.4, and the lowest closing price of SEK 93.4 was recorded on 28 March.

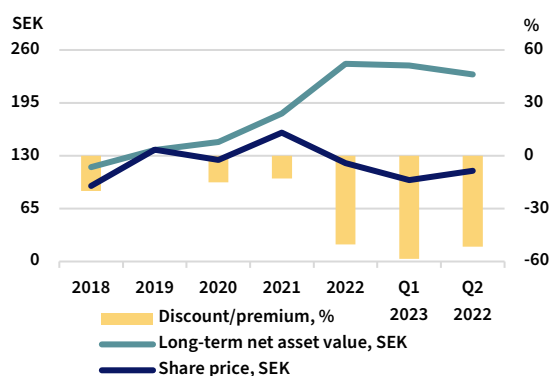
The Company’s market capitalisation amounted at the end of June to SEK 2.5 billion (2.7). The average daily volume on Nasdaq amounted to 7,134 shares (13,352) during the period January–June. The free float¹ amounted on 31 May to 44.9 per cent (44.8).

Net asset value

The long-term net asset value per share has declined by a small amount during the first six months of the year, amounting at the end of the period to SEK 230 (243) or EUR 19.5 (21.9). Equity per share has decreased to SEK 226 (240) or EUR 19.2 (21.5).

The net asset value per share was affected positively by the profit from property management, and negatively by unrealised value changes and other investments, during the period. The discount to the long-term net asset value has increased during the period and amounted on 30 June to 52 per cent (50).

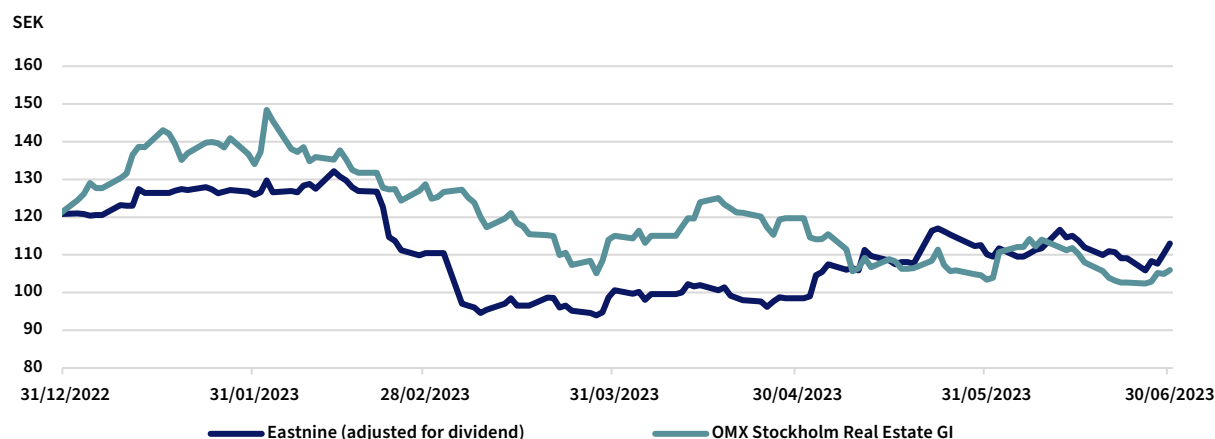
SHARE PRICE AND NET ASSET VALUE



KEY FIGURES

Data per share	2023 30 Jun	2022 31 Dec
Equity, EUR	19.2	21.5
Long-term net asset value, EUR	19.5	21.9
Share price, EUR	9.5	10.9
Equity, SEK	226	240
Long-term net asset value, SEK	230	243
Share price, SEK	111.4	120.8

SHARE PRICE



¹ Free float based on the definition and methodology of Holdings Free Float. Source: Modular Finance.

Number of shares

Eastnine's share is listed on Nasdaq Stockholm Mid Cap, Real Estate. The total number of shares in Eastnine AB (publ) amounted to 22,370,261 at the end of the period. Adjusted for repurchased shares held in treasury, the number of shares amounted to 22,207,746. The proportion of shares that are Swedish-owned amounted on 31 May to 80.5 per cent (80.0).

On 31 May, the number of known shareholders was 5,512 (5,662). Three owners, Peter Elam Håkansson, Bonnier Fastigheter Invest and Arbona, each held at least ten per cent of the total number of shares in the Company. According to a press release from Bonnier Fastigheter on 27 June 2023, Bonnier Fastigheter Invest AB has entered into an agreement to acquire 778,096 shares in Eastnine, corresponding to 3.48 per cent of the total number of shares. After the acquisition, Bonnier Fastigheter Invest AB holds 17.2 per cent of the shares in Eastnine.

Share buybacks

On 30 June 2023, the Company held 162,515 own shares in treasury, corresponding to around 0.7 per cent of total outstanding shares. Repurchased shares may come to be used in Eastnine's long-term incentive programme (LTIP). The dilution effect, relating to repurchased shares that at the end of the period are expected to be used for the current LTIP, is applied to the earnings per share KPI. At the AGM 2023, the Board received a new mandate to decide on share buy-back, providing that the Company's holding of treasury shares not exceed at any time 10 per cent of all shares in the Company.

Dividend

The 2023 AGM has decided on a dividend of SEK 3.40/share (3.00), to be paid on four occasions, quarterly, with each payment amounting to SEK 0.85/share. The proposed dividend comprises 51 per cent of the profit from property management after applicable taxes, calculated using the exchange rate prevailing at the end of 2022.


The first payment took place in May 2023.

LARGEST SHAREHOLDERS AS AT 31 MAY 2023

Shareholders	Number of shares	%	Change 2023 p.p.
Peter Elam Håkansson ¹	5,790,370	25.9%	0.0
Bonnier Fastigheter Invest AB ²	3,060,450	13.7%	0.0
Arbona AB (publ)	2,240,328	10.0%	0.0
Kestutis Sasnauskas ¹	962,110	4.3%	0.0
Patrik Brummer ¹	832,930	3.7%	0.0
Lazard Asset Management	778,096	3.5%	-1.5
Avanza Pension	529,176	2.4%	0.0
Karine Hirn ¹	411,288	1.8%	0.0
Nordnet Pensionsförsäkring	404,012	1.8%	0.0
Dimensional Fund Advisors	338,261	1.5%	0.0
Staffan Malmer	261,149	1.2%	+0.1
CARN Capital	253,183	1.1%	0.0
Gustaf Hermelin	208,000	0.9%	0.0
Albin Rosengren	204,348	0.9%	0.0
Jacob Grapengiesser	167,861	0.8%	0.0
15 largest	16,441,562	73.5%	-1.3
Eastnine AB (repurchased shares)	162,515	0.7%	0.0
Other	5,766,184	25.8%	+1.3
Total	22,370,261	100.0%	0.0

¹ Private and via companies. Source: Modular Finance

² According to a press release on 27 June 2023, Bonnier Fastigheter Invest AB entered into an agreement to acquire 778,096 shares in Eastnine, corresponding to 3.48 per cent of the total number of shares. After the acquisition, Bonnier Fastigheter Invest AB holds 17.2 per cent of the shares in Eastnine.



Financial reports in summary

Eastnine's S7 properties in the central business district in Vilnius.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR thousands	2023	2022	2023	2022	2022	2022/2023
	Jan-Jun	Jan-Jun	Apr-Jun	Apr-Jun	Jan-Dec	Jul-Jun
Rental income	18,143	13,576	9,092	7,350	30,299	34,866
Property expenses	-1,213	-1,527	-537	-797	-2,812	-2,498
Net operating income	16,930	12,049	8,555	6,553	27,487	32,368
Central administration expenses	-1,924	-2,094	-1,015	-1,075	-4,224	-4,054
Interest expenses	-6,185	-3,976	-3,290	-2,229	-9,374	-11,583
Other financial income and expenses	-171	-170	-148	-118	-476	-477
Profit from property management	8,651	5,810	4,102	3,131	13,413	16,253
Unrealised changes in value of properties	-24,702	10,002	-7,891	10,031	9,383	-25,321
Unrealised changes in value of investments	-31,296	18,412	-31,296	62,756	70,789	21,081
Unrealised changes in value of derivatives	-1,173	5,043	131	2,757	12,417	6,201
Realised value changes and dividends from investments	338	6,552	-106	92	7,075	861
Profit/loss before tax	-48,182	45,819	-35,060	78,766	113,076	19,075
Current tax	-183	-48	-93	-48	-209	-344
Deferred tax	1,789	-2,461	285	-2,114	-4,307	-58
Net profit/loss for the period/year¹	-46,576	43,311	-34,867	76,603	108,560	18,674
Other comprehensive income – items that may be reversed to profit or loss:						
Translation differences for foreign operations	332	0	110	0	147	479
Total comprehensive income for the period/year¹	-46,244	43,311	-34,757	76,603	108,707	19,152
Number of shares issued, adjusted for repurchased shares, thousand	22,208	22,208	22,208	22,208	22,208	22,208
Weighted average number of shares before dilution, thousand	22,208	22,208	22,208	22,208	22,208	22,208
Weighted average number of shares after dilution, thousand	22,236	22,208	22,236	22,208	22,226	22,236
Earnings per share before dilution, EUR	-2.10	1.95	-1.57	3.45	4.89	0.84
Earnings per share after dilution, EUR	-2.10	1.95	-1.57	3.45	4.88	0.84

¹ Comprehensive income for the period/year is entirely attributable to the parent company's shareholders.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR thousands	2023	2022	2022
	30 Jun	31 Dec	30 Jun
ASSETS			
Investment properties	582,482	606,222	604,640
Right-of-use assets, leaseholds	2,178	2,234	2,285
Derivatives	9,243	10,037	3,648
Long-term securities holdings	-	-	140,222
Other non-current assets	155	263	321
Total non-current assets	594,058	618,756	751,117
Short-term securities holdings	-	-	2,984
Other current assets	6,485	5,543	5,102
Cash and cash equivalents	29,287	19,820	18,521
Securities holdings held for sale	162,059	193,355	-
Total current assets	197,832	218,718	26,607
TOTAL ASSETS	791,890	837,474	777,724
EQUITY AND LIABILITIES			
Equity	425,649	478,508	412,965
Interest-bearing liabilities	325,580	263,552	322,631
Deferred tax liabilities	17,034	18,788	16,925
Lease liability	2,160	2,216	2,266
Other non-current liabilities	3,036	3,037	4,675
Total non-current liabilities	347,810	287,594	346,497
Interest-bearing liabilities	7,486	63,330	8,149
Other current liabilities	10,946	8,043	10,114
Total current liabilities	18,432	71,373	18,262
TOTAL EQUITY AND LIABILITIES	791,890	837,474	777,724

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR thousands	Share capital	Other contributed capital	Reserve, translation differences	Retained earnings	Total equity
Opening equity 1 January 2022	3,660	251,567	-	120,766	375,994
Net profit/loss for 1 January-30 June	-	-	-	43,311	43,311
Other comprehensive income for 1 January-30 June	-	-	0	-	0
Dividend to shareholders	-	-6,377	-	-	-6,377
Long-term incentive program	-	38	-	-	38
Closing equity 30 June 2022	3,660	245,228	0	164,077	412,965
Net profit/loss for 1 July-31 December	-	-	-	65,249	65,249
Other comprehensive income for 1 July-31 December	-	-	147	-	147
Long-term incentive program	-	147	-	-	147
Closing equity 31 December 2022	3,660	245,375	147	229,326	478,508
Net profit/loss for 1 January-30 June	-	-	-	-46,576	-46,576
Other comprehensive income for 1 January-30 June	-	-	332	-	332
Dividend to shareholders	-	-6,668	-	-	-6,668
Long-term incentive program	-	53	-	-	53
Closing equity 30 June 2023	3,660	238,759	479	182,751	425,649

CONSOLIDATED STATEMENT OF CASH FLOW

EUR thousands	2023 Jan-Jun	2022 Jan-Jun	2023 Apr-Jun	2022 Apr-Jun	2022 Jan-Dec	2022/2023 Jul-Jun
Operating activities						
Profit/loss before tax	-48,182	45,819	-35,060	78,766	113,076	19,075
Adjustments for items not included in cash flow	57,373	-30,569	39,256	-72,703	-92,608	-4,667
Income tax paid	-183	-48	-93	-48	-209	-344
Cash flow from operating activities before changes in working capital	9,009	15,202	4,104	6,015	20,259	14,065
Changes in cash flow from changes in working capital						
Increase (-)/decrease(+) in other current receivables	-1,848	5,850	-1,101	-1,382	6,423	-1,275
Increase (+)/decrease(-) in other current payables	101	-9,403	1,159	232	-7,132	2,372
Cash flow from operating activities	7,262	11,649	4,162	4,865	19,550	15,162
Investing activities						
Investments in existing properties	-962	-3,916	-451	-2,504	-6,116	-3,162
Acquisition of properties	-	-120,906	-	-120,906	-120,906	-
Purchase of equipment	-11	-22	-	-	-34	-23
Divestment of other financial assets	298	16,063	-	1,188	18,792	3,027
Cash flow from investing activities	-675	-108,781	-451	-122,222	-108,264	-158
Financing activities						
New loans	10,519	93,340	10,519	72,000	93,340	-
Repayment of loans	-4,336	-3,644	-2,008	-2,016	-7,542	-8,234
Payment of lease liabilities	-56	-54	-28	-27	-104	-106
Dividend to shareholders	-3,261	-3,224	-1,667	-1,594	-6,413	-6,450
Cash flow from financing activities	2,866	86,418	6,816	68,363	79,281	-4,271
Cash flow for the period/year	9,452	-10,714	10,527	-48,994	-9,434	10,733
Cash and cash equivalent, opening balance	19,820	29,201	18,739	67,505	29,201	18,521
Exchange rate differences in cash and cash equivalents	15	34	21	10	53	34
Cash and cash equivalent, closing balance	29,287	18,521	29,287	18,521	19,820	29,287

KEY FIGURES

	2023 Jan-Jun	2022 Jan-Jun	2023 Apr-Jun	2022 Apr-Jun	2022 Jan-Dec	2022/2023 Jul-Jun
Surplus ratio, %	93	89	94	89	91	93
Interest coverage ratio, multiple	2.4	2.5	2.2	2.4	2.4	2.4
Return on equity, %	-20.5	22.0	-31.1	81.1	25.4	4.6
Cashflow per share from operating activities, EUR	0.33	0.52	0.19	0.22	0.88	0.68
Cashflow per share, EUR	0.43	-0.48	0.47	-2.21	-0.42	0.48
Profit from property management per share, EUR	0.39	0.26	0.18	0.14	0.60	0.73
Earnings per share before dilution, EUR	-2.10	1.95	-1.57	3.45	4.89	0.84
Earnings per share after dilution, EUR	-2.10	1.95	-1.57	3.45	4.88	0.84

SEGMENT REPORTING

Eastnine classifies and evaluates the various segments based on geography and the nature of the investments. Segments are presented from the point of view of management and are divided into following: Properties in Lithuania, Properties in Latvia, Properties in Poland and Other investments.

EUR thousands	Properties in Lithuania	Properties in Latvia	Properties in Poland	Other investments	Unallocated	Total
1 Jan–30 Jun 2023						
Rental income	11,914	2,013	4,216	-	-	18,143
Property expenses	-702	-454	-56	-	-	-1,213
Net operating income	11,212	1,559	4,160	-	-	16,930
Central administration expenses	-	-	-	-	-1,924	-1,924
Interest expenses	-2,593	-658	-1,229	-	-1,706	-6,185
Other financial income and expenses	-13	-	-163	-	5	-171
Profit from property management	8,606	901	2,767	-	-3,624	8,651
Unrealised changes in value of properties	-17,736	-4,235	-2,731	-	-	-24,702
Unrealised changes in value of investments	-	-	-	-31,296	-	-31,296
Unrealised changes in value of derivatives	-1,164	-40	31	-	-	-1,173
Realised value changes and dividends from investments	-	-	-	338	-	338
Profit/loss before tax	-10,293	-3,375	68	-30,958	-3,624	-48,182
Current/deferred tax	1,614	-1	-8	-	-	1,606
Net profit/loss for the period	-8,679	-3,375	60	-30,958	-3,624	-46,576
Investment properties	386,687	77,615	118,180	-	-	582,482
<i>of which investments/acquisitions during the period</i>	<i>720</i>	<i>236</i>	<i>5</i>	-	-	<i>962</i>
Securities holdings held for sale	-	-	-	162,059	-	162,059
Interest-bearing liabilities	186,138	31,278	70,650	-	45,000	333,065

EUR thousands	Properties in Lithuania	Properties in Latvia	Properties in Poland	Other investments	Unallocated	Total
1 Jan–30 Jun 2022						
Rental income	10,748	1,672	1,156	-	-	13,576
Property expenses	-1,054	-443	-29	-	-	-1,527
Net operating income	9,694	1,229	1,127	-	-	12,049
Central administration expenses	-	-	-	-	-2,094	-2,094
Interest expenses	-2,120	-364	-400	-	-1,092	-3,976
Other financial income and expenses	-15	-	-17	-	-137	-170
Profit from property management	7,558	865	710	-	-3,323	5,810
Unrealised changes in value of properties	10,681	-680	-	-	-	10,002
Unrealised changes in value of investments	-	-	-	18,412	-	18,412
Unrealised changes in value of derivatives	4,335	444	264	-	-	5,043
Realised values and dividends from investments	-	-	-	6,552	-	6,552
Profit/loss before tax	22,575	629	974	24,964	-3,323	45,819
Deferred tax	-2,410	-	-98	-	-	-2,508
Net profit/loss for the period	20,164	629	876	24,964	-3,323	43,311
Investment properties	403,000	80,735	120,906	-	-	604,640
<i>of which investments/acquisitions during the period</i>	<i>3,184</i>	<i>731</i>	<i>120,906</i>	-	-	<i>124,822</i>
Securities holdings	-	-	-	143,206	-	143,206
Interest-bearing liabilities	181,786	32,264	71,730	-	45,000	330,780

ASSETS HELD FOR SALE

Table below reports the securities holdings that at the end of the period is measured at fair value in level 2. The holdings in MFG is valued at the assessed sales price.

Changes in securities holdings held for sale measured at fair value in level 2, EUR thousands	Other investments
	MFG
Opening balance 1 January 2022	121,830
Unrealised changes in values recognised net in profit/loss	71,525
Closing balance 31 December 2022	193,355
Unrealised changes in values recognised net in profit/loss	-31,296
Closing balance 30 June 2023	162,059

VALUATION ASSUMPTIONS

Investment properties	2023	2022	2022	2022	2022
	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun
Weighted yield requirement, %	6.1	5.9	5.6	5.6	5.6
Average market rent, EUR/sq.m./month	16.0	15.9	15.5	15.4	15.4
Average discount rate, %	7.6	7.9	7.6	7.5	7.4
Long-term inflation market rent, %	1.6	2.0	2.0	2.0	2.0
Long-term vacancy rate, %	4.5	4.5	4.5	4.5	4.5

Assets held for sale/securities holdings	Segment	Valuation method
Melon Fashion Group	Other investments	The holdings in MFG is valued at the assessed sales price.

SENSITIVITY ANALYSIS

30 June 2023

Investment properties, EUR thousands	Assumptions	Properties in Lithuania		Properties in Latvia		Properties in Poland		Total	
Market rental level, %	+/- 5.0	16,037	-15,967	2,343	-2,322	4,138	-4,134	22,518	-22,423
Occupancy rate, percentage points	+/- 1.0	4,898	-4,645	812	-816	-	-	5,710	-5,461
Yield requirement, percentage points	+/- 0.25	-10,847	11,803	-2,031	2,205	-4,805	5,223	-17,683	19,231

MARKET RISKS, EUR thousands

Effect on profit/loss and equity	Change, %	2023	2022	Cash flow and current earning	2023	2022
		30 Jun	31 Dec		30 Jun	31 Dec
Currency rate, EUR/RUB	+/- 10	16,206	-	Market interest rate, +/- 50 bps	-602/+602	-488/+488
Currency rate, EUR/PLN	+/- 10	5,158	5,507	Market interest rate, +/- 100 bps	-1,204/+1,204	-975/+975

ASSETS AND DEBTS OF FOREIGN CURRENCY, EUR thousands

Cash and liabilities	2023	2022	Securities holdings	2023	2022
	30 Jun	31 Dec		30 Jun	31 Dec
Currency in SEK	164	83	Holdings in ruble (MFG)	162,059	193,355
Currency in PLN	481	370			
Lease liabilities in SEK	239	294			

PARENT COMPANY INCOME STATEMENT

EUR thousands	2023 Jan-Jun	2022 Jan-Jun	2023 Apr-Jun	2022 Apr-Jun	2022 Jan-Dec	2022/2023 Jul-Jun
Other income	987	931	494	466	1,933	1,989
Central administration expenses	-1,736	-1,736	-908	-872	-3,542	-3,541
Operating profit/loss	-749	-805	-415	-406	-1,609	-1,552
Dividend received from group companies	3,607	-	3,607	-	-	3,607
Unrealised changes in value of investments	-31,296	18,393	-31,296	62,756	42,509	-7,179
Realised value changes and dividends from investments	40	6,552	-106	92	3,266	-3,246
Financial income	5,495	1,810	4,557	933	2,477	6,162
Financial expenses	-5,310	-1,273	-4,530	-666	-1,340	-5,377
Profit/loss before tax	-28,212	24,677	-28,183	62,707	45,304	-7,585
Tax	-	-	-	-	-	-
Net profit/loss for the period/year	-28,212	24,677	-28,183	62,707	45,304	-7,585

CONDENSED PARENT COMPANY BALANCE SHEET

EUR thousands	2023 30 Jun	2022 31 Dec	2022 30 Jun
ASSETS			
Right-of-use asset, leaseholds	257	312	363
Shares in group companies	134,902	138,680	141,628
Long-term securities holdings	-	-	140,222
Loans to group companies	78,777	78,777	78,877
Short-term securities holdings	162,059	-	-
Other assets	3,363	1,617	2,471
Cash and cash equivalents	9,228	7,620	6,097
TOTAL ASSETS	388,587	420,363	369,658
EQUITY AND LIABILITIES			
Equity	336,575	371,402	318,376
Interest-bearing liabilities	45,000	45,000	45,000
Lease liability	239	294	345
Other liabilities	6,773	3,666	5,937
TOTAL EQUITY AND LIABILITIES	388,587	420,363	369,658

QUARTERLY OVERVIEW

INCOME STATEMENT

EUR thousands	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Rental income	9,092	9,051	8,495	8,228	7,350	6,226	5,451	5,558
Property expenses	-537	-676	-650	-636	-797	-729	-839	-471
Net operating income	8,555	8,376	7,845	7,592	6,553	5,497	4,612	5,087
Central administration expenses	-1,015	-908	-1,175	-957	-1,075	-1,019	-1,000	-795
Interest expenses	-3,290	-2,895	-2,893	-2,506	-2,229	-1,746	-1,749	-1,729
Other financial income and expenses	-148	-23	-177	-128	-118	-51	-122	-68
Profit from property management	4,102	4,549	3,600	4,001	3,131	2,680	1,742	2,496
<i>Unrealised changes in values:</i>								
Properties	-7,891	-16,811	1,848	-2,467	10,031	-34	13,957	-567
Investments	-31,296	-	-5,730	58,108	62,756	-44,344	31,995	11,050
Derivatives	131	-1,304	852	6,521	2,757	2,287	689	300
Realised values and dividends from investments	-106	444	262	260	92	6,461	861	-
Profit before tax	-35,060	-13,122	832	66,423	78,766	-32,950	49,244	13,279
Tax	192	1,414	-1,109	-897	-2,262	-296	-1,995	13
Net profit/loss for the period	-34,867	-11,708	-277	65,526	76,603	-33,246	47,249	13,292
Translation differences for foreign operations	110	222	220	-73	-	-	-	-
Total comprehensive income for the period	-34,757	-11,486	-57	65,453	76,603	-33,246	47,249	13,292

BALANCE SHEET - CONDENSED

EUR thousands	2023 30 Jun	2023 31 Mar	2022 31 Dec	2022 30 Sep	2022 30 Jun	2022 31 Mar	2021 31 Dec	2021 30 Sep
Investment properties	582,482	589,922	606,222	603,873	604,640	471,196	469,817	415,531
Long-term securities holdings	-	-	-	-	140,222	77,467	121,830	114,150
Short-term securities holdings	-	-	-	-	2,984	4,172	19,028	-
Other assets	18,062	17,482	18,076	18,419	11,356	6,876	12,642	5,352
Cash and cash equivalents	29,287	18,739	19,820	20,569	18,521	67,505	29,201	63,575
Securities holdings held for sale	162,059	193,355	193,355	198,586	-	-	-	-
TOTAL ASSETS	791,890	819,499	837,474	841,447	777,724	627,217	652,518	598,608
Shareholders' equity	425,649	467,042	478,508	478,564	412,965	342,766	375,994	328,692
Long-term interest-bearing liabilities	325,580	261,847	263,552	320,403	322,631	253,634	234,574	236,201
Current interest-bearing liabilities	7,486	62,707	63,330	8,301	8,149	7,162	6,510	6,510
Other liabilities	33,176	27,904	32,084	34,179	33,979	23,654	35,441	27,205
TOTAL EQUITY AND LIABILITIES	791,890	819,499	837,474	841,447	777,724	627,217	652,518	598,608

QUARTERLY KEY FIGURES

PROPERTY-RELATED	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Leasable area, sq.m. thousand	183.0	183.0	182.9	182.9	183.0	143.2	143.2	130.5
Number of properties	14	14	14	14	14	13	13	12
Investment properties, EURk	582,482	589,922	606,222	603,873	604,640	471,196	469,817	415,531
Surplus ratio, %	94	93	92	92	89	88	85	92
Economic occupancy rate, %	96.3	96.6	96.3	94.3	91.5	91.1	90.0	89.6
Average rent, EUR/sq.m./month	16.1	16.1	15.3	15.3	15.2	15.2	14.8	15.0
Average rent, EUR/sq.m./year	193	193	183	183	183	183	178	180
WAULT, year	4.1	4.2	4.4	4.4	4.7	4.1	4.3	3.7
Weighted yield requirement, properties, %	6.1	5.9	5.6	5.6	5.6	5.5	5.6	5.8
Environmentally certified properties, % of sq.m.	94	94	94	89	63	81	81	88
FINANCIAL	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Rental income, EURk	9,092	9,051	8,495	8,228	7,350	6,226	5,451	5,558
Net operating income, EURk	8,555	8,376	7,845	7,592	6,553	5,497	4,612	5,087
Profit from property management, EURk	4,102	4,549	3,600	4,001	3,131	2,680	1,742	2,496
Loan-to-value ratio, %	45	41	41	41	44	47	39	46
Net loan-to-value ratio, %	41	39	38	38	42	35	35	34
Loan-to-value ratio, properties, %	57	55	54	54	55	55	51	58
Net loan-to-value ratio, properties, %	52	52	51	51	52	41	45	43
Capital tie-up period, year	2.4	2.1	2.3	2.6	2.8	2.5	2.5	2.8
Interest tie-up period, year	1.5	1.7	1.8	2.0	2.2	1.6	1.5	1.6
Debt ratio, multiple	11.8	12.4	14.1	16.3	18.5	15.9	15.7	15.2
Equity/asset ratio, %	54	57	57	57	53	55	58	55
Interest coverage ratio, multiple	2.2	2.6	2.2	2.6	2.4	2.5	2.0	2.4
Average interest rate, %	4.0	3.8	3.4	3.1	3.0	2.9	2.8	2.8
Return on equity, %	-31.1	-9.7	0.0	58.7	81.1	-37.0	53.6	16.5
SHARE-RELATED	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Equity, EURk	425,649	467,042	478,508	478,564	412,965	342,766	375,994	328,692
Long-term net asset value, EURk	432,834	474,611	486,274	486,055	426,241	356,635	391,853	343,245
Market capitalisation, EURk	209,936	197,122	241,250	178,152	178,326	229,161	341,658	314,569
Market capitalisation, SEK thousand	2,473,943	2,220,775	2,682,696	1,936,515	1,909,866	2,376,229	3,517,707	3,189,465
Number of shares issued at period end, thousand	22,370	22,370	22,370	22,370	22,370	22,370	22,370	22,370
Number of shares issued at period end, adjusted for repurchased shares, thousand	22,208	22,208	22,208	22,208	22,208	22,208	22,208	22,149
Weighted average number of shares, adjusted for repurchased shares, thousand	22,208	22,208	22,208	22,208	22,208	22,208	22,169	22,149
Cashflow per share from operating activities, EUR	0.19	0.14	0.14	0.21	0.22	0.31	0.27	0.13
Cashflow per share, EUR	0.47	-0.05	-0.03	0.09	-2.21	1.72	-1.55	1.96
Profit from property management per share, EUR	0.18	0.20	0.16	0.18	0.14	0.12	0.08	0.11
Earnings per share before dilution, EUR	-1.57	-0.53	-0.01	2.95	3.45	-1.50	2.13	0.60
Earnings per share after dilution, EUR	-1.57	-0.53	-0.01	2.95	3.45	-1.50	2.12	0.60
Equity per share, EUR	19.2	21.0	21.5	21.5	18.6	15.4	16.9	14.8
Equity per share, SEK	226	237	240	234	199	160	174	150
Long-term net asset value per share, EUR	19.5	21.4	21.9	21.9	19.2	16.1	17.6	15.5
Long-term net asset value per share, SEK	230	241	243	238	206	167	182	157
Share price, EUR	9.5	8.9	10.9	8.0	8.0	10.3	15.4	14.2
Share price, SEK	111.40	100.00	120.80	87.20	86.00	107.00	158.40	144.00
OTHER	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
EUR/SEK	11.78	11.27	11.12	10.87	10.71	10.37	10.30	10.14
EUR/RUB	97.64	84.42	77.91	59.88	57.24	91.63	85.30	84.35
EUR/PLN	4.43	4.68	4.69	4.87	4.82	-	-	-

INTERPRETATION OF KEY FIGURES

	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Rental income	9,092	9,051	8,495	8,228	7,350	6,226	5,451	5,558
Net operating income	8,555	8,376	7,845	7,592	6,553	5,497	4,612	5,087
Surplus ratio, %	94	93	92	92	89	88	85	92
Investment properties and securities holdings	744,541	783,277	799,577	802,458	747,847	552,835	610,675	529,682
Interest-bearing liabilities	333,065	324,554	326,882	328,705	330,780	260,796	241,084	242,711
Loan-to-value ratio, %	45	41	41	41	44	47	39	46
Investment properties and securities holdings	744,541	783,277	799,577	802,458	747,847	552,835	610,675	529,682
Interest-bearing liabilities	333,065	324,554	326,882	328,705	330,780	260,796	241,084	242,711
Cash and cash equivalents	29,287	18,739	19,820	20,569	18,521	67,505	29,201	63,575
Net loan-to-value ratio, %	41	39	38	38	42	35	35	34
Investment properties	582,482	589,922	606,222	603,873	604,640	471,196	469,817	415,531
Interest-bearing liabilities	333,065	324,554	326,882	328,705	330,780	260,796	241,084	242,711
Loan-to-value ratio, properties, %	57	55	54	54	55	55	51	58
Investment properties	582,482	589,922	606,222	603,873	604,640	471,196	469,817	415,531
Interest-bearing liabilities	333,065	324,554	326,882	328,705	330,780	260,796	241,084	242,711
Cash and cash equivalents	29,287	18,739	19,820	20,569	18,521	67,505	29,201	63,575
Net loan-to-value ratio, properties, %	52	52	51	51	52	41	45	43
Equity	425,649	467,042	478,508	478,564	412,965	342,766	375,994	328,692
Add back derivatives	-9,849	-9,718	-11,022	-10,169	-3,648	-892	1,395	2,084
Add back deferred tax	17,034	17,288	18,788	17,660	16,925	14,760	14,464	12,469
Long-term net asset value, EURk	432,834	474,611	486,274	486,055	426,241	356,635	391,853	343,245
Net operating income	32,368	30,366	27,487	24,253	21,748	20,121	19,237	19,609
Central administration expenses	-4,056	-4,115	-4,226	-4,050	-3,888	-3,749	-3,853	-3,688
Total	28,312	26,251	23,261	20,203	17,861	16,372	15,384	15,921
Interest-bearing liabilities	333,065	324,554	326,882	328,705	330,780	260,796	241,084	242,711
Debt ratio, multiple	11.8	12.4	14.1	16.3	18.5	15.9	15.7	15.2
Profit from property management	4,102	4,549	3,600	4,001	3,131	2,680	1,742	2,496
Interest expenses	3,290	2,895	2,893	2,506	2,229	1,746	1,749	1,729
Profit before interest expenses	7,392	7,444	6,493	6,506	5,360	4,426	3,490	4,225
Interest coverage ratio, multiple	2.2	2.6	2.2	2.6	2.4	2.5	2.0	2.4
Net profit, annualised	-139,029	-45,945	-228	261,812	306,413	-132,983	188,996	53,166
Average equity	446,345	472,775	478,536	445,764	377,866	359,380	352,343	322,020
Return on equity, %	-31.1	-9.7	0.0	58.7	81.1	-37.0	53.6	16.5

Definitions and glossary

Eastnine applies the European Securities and Markets Authority (ESMA) guidelines on alternative performance measures. The Company considers that these measures provide valuable information to investors and the Company's management as they enable evaluation and comparison of the Company's financial position, financial results and cash flow. These financial measures and key figures shall be regarded as a complement to the measures defined in compliance with IFRS. The following key figures are not defined according to IFRS unless otherwise stated.

PROPERTY-RELATED KEY FIGURES

Average rental income

Contracted rental income for premises in relation to leased premises at the end of the period.

Environmentally certified properties

Proportion of sustainability certified (the level of at least LEED Gold or BREEAM Excellent) property area in relation to total property area, excluding properties expected to undergo significant redevelopment.

Lettable area

Total area available for letting.

Occupancy rate, by area

Occupancy rate in relation to lettable area.

Occupancy rate, economic

Contracted annual rent at the end of the period in relation to the rent value.

This indicator is used to facilitate the estimation of rental income for vacant premises and other financial vacancies.

Rental value

Contracted annual rents which are current at the end of the period with supplements for discounts and estimated market rent for vacant premises.

Surplus ratio

Net operating income in relation to rental income.

Triple net agreement

Lease agreement where the tenant, in addition to the base rent, also pays costs related to the leased area. These costs include operational and maintenance costs, property taxes, site leasehold fees, insurance and property upkeep.

Vacancy rate, by area

Vacancy rate in relation to lettable area.

Vacancy rate, financial

Annual rent for vacant premises at the end of the period in relation to the rent value at the end of the period.

WAULT

Average remaining agreement term of rental agreements at end of period, weighted according to contracted rental income.

The indicator shows the weighted risk of future vacancies.

Yield requirement, earning capacity

Net operating income in relation to investment properties.

Yield requirement, properties

The yield requirement is used in valuations and relate to the yield requirement at the end of the calculation period. The yield requirement is based on the market return requirement for similar investment objects, with the addition of risks related to real estate, such as geographical location, the condition of the properties and future vacancy risk.

FINANCIAL KEY FIGURES

Average interest rate

Average interest rate on interest-bearing liabilities at the end of the period.

Capital tie-up period

Average remaining term for interest-bearing liabilities by the end of the period.

Debt coverage ratio

Interest-bearing liabilities at the end of the period in relation to the rolling twelve-month net operating income less deductions for the rolling twelve-month central administration expenses.

EBITDA

Earnings before interest, tax, depreciation and amortisation.

Equity/asset ratio

Equity in relation to total assets.

Fixed interest term

Average remaining fixed interest term for interest-bearing liabilities by the end of the period.

Interest coverage ratio

Profit from property management, with reversal of interest expenses, in relation to interest expenses.

The indicator shows the extent to which cash flow covers interest expenses.

Interest coverage ratio, pro forma

EBITDA pro forma in relation to financial income/expenses pro forma.

The indicator is provided as a covenant with Eastnine's bondholders.

Loan-to-value ratio

Interest-bearing liabilities in relation to the sum of investment properties and securities holdings.

Loan-to-value ratio, properties

Interest-bearing liabilities in relation to investment properties.

Net loan-to-value ratio

Interest-bearing liabilities after deduction for cash and cash equivalents, in relation to the sum of investment properties and securities holdings.

Net loan-to-value ratio, properties

Interest-bearing liabilities after deduction for cash and cash equivalents, in relation to investment properties.

Net operating income

Rental income less property expenses.

Profit from property management

Earnings before value changes, dividends received and taxes.

Rental income

Debited rents, rent supplements, and rental guarantees less rental discounts.

Return on equity

Total comprehensive income for the period, recalculated on a 12-month basis, in relation to average equity.

SHARE-RELATED KEY FIGURES**Cash flow from operating activities per share**

Period's cash flow from operating activities divided by the weighted average number of shares during the period.

Cash flow per share

Period's cash flow divided by the weighted average number of shares during the period.

Earnings per share (definition according to IFRS)

Net profit/loss for the period attributable to the Parent Company's owners in relation to the average number of shares issued (excluding repurchased shares held in treasury).

Equity per share

Total equity in relation to the number of shares issued (excluding treasury shares).

Long-term net asset value

Equity with reversal of derivatives and deferred tax liabilities according to the balance sheet.

Long-term net asset value per share

Long-term net asset value in relation to the number of shares issued (excluding treasury shares).

Profit from property management per share

Profit from property management divided by the average number of shares during the period.

GLOSSARY**Break option**

Unilateral option allowing the tenant to terminate the lease agreement prematurely. The clause may include a right on the part of the tenant to terminate a lease without additional rent payments.

ESG

Abbreviation for Environmental, Social and corporate Governance.

Fair value

Fair value is the price at which a property transfer may take place between independent and informed parties which have an interest in the transaction taking place. Fair value is considered to be equal to the acquisition value at the acquisition date, after which the fair value may change over time.

Green lease agreements

Lease agreements where Eastnine and the tenant has agreed on proactive efforts to promote and improve the sustainability of the property/premises.

GRESB

Abbreviation for Global Real Estate Sustainability Benchmark.

Gross area

Gross area is the sum of the area of all the floors up to the exterior of the surrounding building sections. The term is used e.g. with regards to property valuations.

ICT

Abbreviation for Information and Communication Technology.

IFRS

Abbreviation for International Financing Reporting Standard. IFRS is an international reporting standard for the preparation of group statements.

Interest rate derivatives

Agreements for the purchase and sale of interest, the price and conditions of which depend on factors such as time, inflation rates, and market. Derivative agreements are usually entered into in order to ensure predictable interest rate levels for some part or the entirety of the interest-bearing loans. Interest rate swaps are a type of derivative where the value on balance day is zero and which expires without further payment flows.

Net asset value discount/premium

The difference between net asset value and market capitalisation. If market cap is lower than net asset value the shares are traded at a net asset value discount; if market cap is higher, shares are traded at a premium.

Net letting

Annual rent income from contracts signed during the period less that of contracts terminated during the period.

Property

Relates to real estate in possession through ownership or site leaseholds.

Share buy-back

Purchasing of own shares on the stock market. Swedish companies have the option to own up to 10 per cent of the total number of shares they have issued, given approval from the AGM.

Sustainability certification frameworks

BREEAM is an abbreviation of Building Research Establishment Environmental Assessment Method.

LEED is an abbreviation of Leadership in Energy and Environmental Design.

Fitwel is an international certification framework for buildings that promotes people's health and well-being at work.

WACC

Abbreviation for Weighted Average Cost of Capital.

Financial calendar

Interim report January–September 2023	26 October 2023
Year-end report 2023	7 February 2024

Dates for payments of shareholder dividend:

Dividend record date	22 August 2023
Expected date of payment	25 August 2023
Dividend record date	14 November 2023
Expected date of payment	17 November 2023
Dividend record date	23 January 2024
Expected date of payment	26 January 2024

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Contact information

Kestutis Sasnauskas, CEO, +46 8 505 977 00
 Britt-Marie Nyman, CFO and deputy CEO, +46 70 224 29 35

Eastnine AB
 Kungsgatan 30, Box 7214
 SE-103 88 Stockholm, Sweden
 Tel: +46 8 505 977 00
www.eastnine.com
 Corporate ID no. 556693-7404

Solar panels are installed on the roof of 3Bures-3 in Vilnius. To acquire energy is also important for office workers who, in connection to their desks on the 19th floor, can take five and get some exercise in at the basketball courtyard.