

# Eastnine enters into agreement to sell its investment in MFG

**Eastnine AB (publ) (Eastnine) has entered into an agreement to sell its entire investment in the Russian fashion retailer Melon Fashion Group (MFG). The purchase price for Eastnine's shares is approximately RUB 15.6 billion corresponding to approximately EUR 149 million based on an exchange rate of 105 EUR/RUB. The transaction is expected to be completed within two weeks. The completion of the transaction is subject to significant uncertainties and risks.**

As previously announced, Eastnine has intended to divest its entire investment (approximately 36 percent) in the Russian fashion retailer MFG. Eastnine has now, together with other European shareholders in MFG entered into an agreement that entails that the entire investment is ultimately sold to the Russian entity LLC GEM Invest. The purchase price for Eastnine's shares is approximately RUB 15.6 billion, corresponding to approximately EUR 149 million based on an exchange rate of 105 EUR/RUB. The transaction will take place in several steps and these have been approved by the Federal Antimonopoly Service (FAS of Russia) and the Governmental Commission for Control over Foreign Investments in the Russian Federation.

The completion of the transaction is subject to significant uncertainties and risks, e.g. disbursement of financing, cooperation of financial institutions and the risk of further sanctions and actions by authorities. The transaction is planned to be completed within the next two weeks. Since the purchase price is paid in roubles Eastnine will after completion have an exchange rate exposure to the Russian rouble until exchange has been made.

Eastnine's investment in MFG was, as of June 30, 2023, booked at approximately EUR 162 million.

"A divestment of our holding in MFG in accordance with the agreement would provide significant opportunities for Eastnine to acquire more modern and sustainable office properties in our priority markets. Given that market yields have shown an upward trend for some time, this may also mean that the timing for acquisitions is good", says Eastnine's CEO Kestutis Sasnauskas.

**Eastnine AB (publ)**

EASTNINE AB



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*Eastnine AB (publ) is a Swedish real estate company with a property value of EUR 582m and a long-term net asset value of EUR 433m as of 30 June 2023. Eastnine's vision is to create and provide the best venues where ideas can flow, people meet, and successful business can be developed. Eastnine's business concept is to 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. Eastnine is listed on Nasdaq Stockholm Mid Cap, sector Real Estate.*

*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 02.45 am CEST on 7 August 2023.*