

Interim report

January-June 2021

Eastnine's rental income and profit from property management increased during the period due to a larger property portfolio. The property portfolio has grown following the acquisition of two fully let office properties and the investment strategy has been broadened to include premium logistics. After the end of the period, Eastnine has issued its first green bond.

The period January-June 2021

- Rental income increased by 18 per cent to EUR 10,522k (8,942). This increase is attributable to a larger property portfolio. In a comparable portfolio, rental income decreased by 6 per cent, due to higher vacancies in Riga.
- Net operating income increased by 19 per cent to EUR 9,538k (8,031).
- Profit from property management increased by 19 per cent to EUR 5,289k (4,432) due to a larger property portfolio and economies of scale.
- Unrealised value changes amounted to EUR 4,225k (-15,755). Of this change, EUR 2,916k (2,584) is attributable to properties, EUR 948k (-17,678) to other investments and EUR 361k (-661) to derivatives.
- Profit/loss for the period amounted to EUR 11,793k (-12,513), corresponding to EUR 0.53 per share (-0.59).
- The average rent level was EUR 15.0 per sq.m. per month (14.9) and the occupancy rate amounted to 92.6 per cent (92.6). Net letting amounted to EUR -707k.

Key events during the second quarter

- Eastnine's Board of Directors has broadened the investment strategy to include first-class logistics properties in the Baltics.
- Two office properties, one in Riga and one in Vilnius, have been acquired and taken into possession. Both properties are LEED Platinum certified.
- In 2021, Eastnine was awarded the U.S. Green Building Council Leadership Award in the Europe category for its work on development of green buildings.

Key events after the end of the period

- Eastnine has issued its first green bond of EUR 45m, with a term of three years.

SELECTED KEY FIGURES	2021 Jan-Jun	2020 Jan-Jun	2021 Apr-Jun	2020 Apr-Jun
Rental income, EURk	10,522	8,942	5,423	4,467
Profit from property management, EURk	5,289	4,432	2,836	2,170
Profit from property management per share, EUR	0.24	0.21	0.13	0.10
Net profit/loss for the period, EURk	11,793	-12,513	6,144	9,740
Earnings per share, EUR	0.53	-0.59	0.28	0.46
Return on equity, %	7.5	-9.7	7.8	15.7

SELECTED KEY FIGURES	2021 30 Jun	2020 31 Dec
Loan-to-value, properties, %	48	46
Net loan-to-value, properties, %	43	40
Sustainability-certified properties ¹ , % of sq.m.	88	87
Equity per share, EUR	14.2	14.0
Equity per share, SEK ²	144	141
Long-term NAV per share, EUR	14.9	14.6
Long-term NAV per share, SEK ²	151	147

In the Interim Report, comparative figures refer to the period January - June 2020 in income statement items and as per 31 December 2020 in balance sheet items. The Company refers to the Eastnine Group.

¹ Sustainability-certified area in proportion to total area (excluding area expected to undergo significant redevelopment). ² EUR = 10.14 SEK as of 30 June 2021 (source: Reuters).

This is Eastnine

Swedish real estate company

The Company is listed on Nasdaq Stockholm Mid Cap and headquartered in Stockholm.

Nordic tenants

Tenants are primarily large and stable Nordic companies with international operations.

Baltic high-yielding, prime office properties

Investing in modern, sustainable and high-yielding office and logistics properties in first-class locations in the Baltics.



TARGETS IN BUSINESS PLAN 2023

Operational

Status 30 June 2021

Property portfolio of at least EUR 700m by the end of 2023.

EUR 415m

Profit from property management in Q4 2023 (recalculated as an annual figure) shall amount to EUR 25m.

EUR 11.3m (annualised Q2 2021)

Financial

The dividend shall over time correspond to at least 50 % of the profit from property management after deduction of current tax.

66 %¹

Return on equity should be at least 10 % over time.

21,4 % (twelve months rolling)

The loan-to-value ratio on properties should be at most 60 %.

48 %

Equity/asset ratio should be at least 35 %.

58 %

Sustainability

The entire property portfolio should have obtained sustainability certificates on the level of at least LEED Gold or BREEAM Excellent²

88 %

¹ Based on the dividend resolved by the 2021 Annual General Meeting of SEK 3.00 per share. ² Refers to area of all properties that are not expected to undergo significant redevelopment.

Recently acquired property Uniq in Vilnius



Eastnine's property portfolio will continue to grow in offices and logistics

Eastnine has acquired two office properties in Riga and Vilnius, respectively. The investment strategy has been broadened and now includes the acquisition of logistics properties holding the same high standards as our office properties. We have increased the capital base available by successfully issuing a green bond, which further contributes to future growth opportunities for the property portfolio.

Positive quarter

Rental income is at its highest level ever, and the net operating income as well as the profit from property management increased during the second quarter. Cash flow from operating activities as well as the profit from property management per share develops in a positive direction, which is a natural consequence of the growth of the property portfolio and improved efficiency. The employees of our tenants, which have to a considerable degree been working from home during the pandemic following regulatory instructions, were gradually returning to their offices before the vacation season, and there are reasons to believe that this trend will continue after the summer. Quarantine restrictions were suspended at the beginning of July, simplifying business travel as well as showings of vacant premises. Net leasing was negative during the period, largely due to Danske Bank having decided, as expected, not to renew its tenancy in the 3Bures-1,2 property. Danske Bank will vacate their premises by 31 July. We have signed twelve new lease agreements during the spring, of which seven have moved in by the end of June, and the remainder expected to move in during the second half of 2021 and the first quarter of 2022. The rent level was somewhat higher than existing agreements.

New property acquisitions

In the second quarter, Eastnine acquired the office properties Zala 1 in Riga and Uniq in Vilnius. The properties, which are fully let, complementary to our existing portfolio, both commercially and geographically, enabling us to effectively manage them. The properties were taken into possession in the end of May and middle of June, respectively, meaning that we will see the full impact on earnings from the properties during the third quarter of 2021.

New business concept and broader investment direction

Eastnine's Board has decided to broaden the Company's investment focus so as to, in addition to first-class office properties, also include prime logistics properties. As a natural consequence of this extension, the geographical focus will be on the best locations in the Baltics, as the best localisation of logistics properties is not always in the capital cities. E-commerce has become considerably more important in the Baltics, and so too has the interest in logistics properties. The diversification results in a sustained high yield, but at a lower risk level. The yield requirement for logistics properties in the Baltics follows the same downward trend as we have observed in Sweden. Still, the yield level is higher for logistics properties than for offices,

and the yield on both types of properties is considerably higher than that in Sweden. The new investment approach improves Eastnine's growth opportunities.

Architectural competitions for upcoming projects

White arkitekter and ARHIS arhitekti were in June judged to be the winners of Eastnine's architectural competition to deliver a new vision for the Kimmel quarter in Riga. All new development in Riga's historical centre requires that an architectural competition, open to any participant, be held. Eastnine's vision for the architectonic sketch design competition was to transform the previous Kimmel Riga brewery into a new central meeting place, not just including offices but also cafés, restaurants, shops, cultural spaces and green rooms. The area, which will comprise around 38,000 sq.m., is to be friendly to pedestrians and cyclists, include green areas and require as little transportation as possible.

At the end of April, we also announced an open, international architectural competition for 3Bures-4, which will be located adjacent to the other 3Bures properties in Vilnius. The competition is due to be completed during the third quarter.

First green bond

At the beginning of July, Eastnine issued its first bond which naturally, given our sustainable business concept, was green. The issue amounted to EUR 45m with a term of three years. The capital will be invested according to Eastnine's green framework, which was rated Dark Green by Cicero and includes inter alia green, sustainability-certified buildings holding at least a LEED Platinum or BREEAM Excellent certification or equivalent, and high energy use scores. The bond means that we broaden our capital base, which is important for the future growth within both offices and logistics.

Kestutis Sasnauskas, CEO

“Cash flow from operating activities as well as the profit from property management per share developed in a positive direction, which is a natural consequence of the growth of the property portfolio and improved efficiency.”



Business concept

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



Interior from the property S7-1 in Vilnius



Market

In the Baltics the pandemic situation improved significantly during the second quarter. Restrictions has been eased up and economic growth has picked up. The rental market is robust at the same time as transaction activity has accelerated, at a record high of EUR 640m since the turn of the year.

Market development

In the Baltics the pandemic situation improved significantly during second quarter. The spread of infection fell from high levels, vaccinations have been started and the countries have gradually been able to release restrictions, Lithuania already in April and Latvia somewhat later. Growth is, throughout the eurozone, estimated to make a clear turn upwards during the second half of 2021, driven by pent-up demand and improved sentiment. Real GDP growth in 2021 is, by OECD, estimated to increase by 3.7 per cent in Lithuania and 3.2 per cent in Latvia, respectively. Inflation is expected to rise to 1.8 per cent and 1.2 per cent, respectively.

Rental market

The trends from the first quarter held steady throughout the second quarter. The demand for offices is still healthy in Vilnius, vacancy rates remain at a about eight per cent, and the rent level is stable. During the first quarter a record high level of leasing of newly developed and completed offices, 31,000 sq.m. A considerable motive force is the growth of employment in the shared services sector, which expanded by five per cent in 2020, corresponding to 900 new jobs. Several new establishments were announced in Vilnius in the second quarter, among others the game developer Wargaming which moved into 5,000 sq.m. of the Quadrum complex, and the consulting giant Accenture which plans to open a global shared service office in Vilnius.

In Riga, demand is weaker and the vacancy rate on the market was essentially unchanged during the quarter, at 18 per cent. The higher level is affected by the completion of a few new, larger office properties with low occupancy rates. The rent level has been stable. Positive for the market, SEB announced in early July that the bank will lease 11,000 sq.m. in the planned office project Gustavs for its shared service centre. The development of the logistics market in the Baltic

countries is more even. There is good demand for modern logistics properties across the Baltics, driven by upgrades and consolidation from older and smaller properties, not to mention the steadily growing e-commerce sector, which has grown considerably during the pandemic. Meanwhile, development activity is high, with projects from developers such as Sirin, Pillar, Piche and VGP. Logistic rent levels are therefore stable, ranging from EUR 4.70 per sq.m. and month in both Riga and Vilnius. The vacancy rate was 4.6 per cent in Riga and non-existent in Vilnius at the end of the first half of the year.

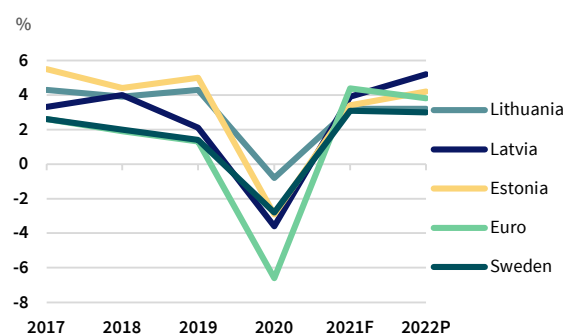
Transaction market

The transaction activity in the Baltics accelerated during the second quarter and the volume amounted to EUR 640m during the first half of the year, which is a doubling compared with the corresponding period last year. The largest property acquisition in the Baltics during the second quarter was Eastnine's acquisition of the office properties Uniq in Vilnius and Zala 1 in Riga, for a total of EUR 35.5m. The properties were sold by the property developer Vastint, owned by the Interogo Foundation, which also includes IKEA. No other office property transactions were registered.

In the logistics segment, the high level of activity continued with East Capital's acquisition in Tallinn and Eften Capital's acquisition in the Lithuanian regional city Panevezys.

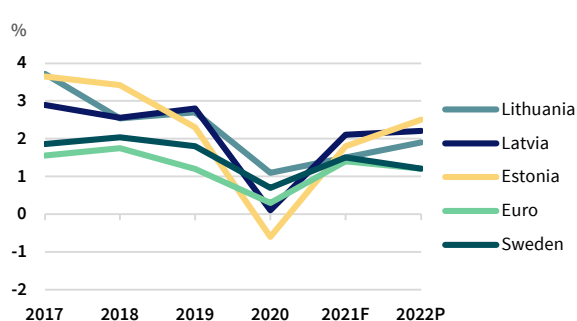
Yield requirements in the office sector is considered to be unchanged since the turn of the year, with 5.5 per cent in Vilnius. In Riga and Tallin, the yield requirements has fallen by 0.2 percentage points to 5.8 and 5.9 per cent, respectively, for centrally located properties. The logistics segment has been subject to both higher activity and falling yield requirements on the best properties. According to Collier's assessment, the level was around 7.0 per cent in the Baltics at the end of the period.

GDP, ANNUAL CHANGE



Source: Eurostat, IMF

INFLATION, ANNUAL CHANGE



Source: Eurostat, IMF

The period January-June 2021

Both rental income and the profit from property management increased during the period, due to an expanded property portfolio. Property value has also increased, chiefly due to acquisitions but also due to unrealised value changes. The value of other investments has increased during the period, despite paid dividends during the second quarter.

Rental income

The income, which is entirely composed of rental income, increased by 18 per cent during the period to EUR 10,552k (8,942), primarily due to a larger property portfolio. Rental discounts have, as a consequence of the coronavirus pandemic, been granted during the period at an amount of around EUR 90k, corresponding to 0.5 per cent of total annual rent for the premises. Rental income in a comparable portfolio decreased by 6 per cent during the period, mainly due to a higher vacancy rate in Riga. The average rent level amounted at the end of the period to EUR 15.0 per sq.m. per month (14.9). New lease agreements have been signed at an average level of EUR 15.2 per sq.m. per month. The average rent level for newly renegotiated agreements is unchanged and amounted to EUR 13.6 per sq.m. Net leasing was negative and amounted to EUR -707k, refer to the section on Tenants.

Property expenses

Eastnine reports only that fraction of property expenses which is not charged directly to tenants. The lease agreements are mainly triple-net agreements, meaning that the reported expenses are affected by changes in the vacancy rate. Following property acquisitions, the property expenses increased to EUR -984k (-911).

Earnings

Net operating income was EUR 9,538k (8,031), and the surplus ratio amounted to 91 per cent (90). The high surplus ratio is attributable to the fact that a majority of the tenants, in addition to rent, also pay for e.g. electricity, heating, cooling, water and wastewater, as well as repairs, maintenance and property management. The increase in net operating income of 19 per cent is chiefly related to acquisitions.

Central administration expenses increased to EUR -2,059k (-1,689), primarily due to one-off expenses during the first quarter. Profit from property management increased by 19 per cent to EUR 5,289k (4,432).

Unrealised value changes in properties amounted to EUR 2,916k (2,584). Unrealised value changes in other investments amounted to EUR 948k (-17,678), of which EUR 861k (-18,406) is attributable to MFG and EUR 87k (728) to the fund investment. Unrealised value changes in derivatives amounted to EUR -361k (-661). Dividends of EUR 3,906k (-) have been received during the period. No value changes have been realised. Profit before tax amounted to EUR 13,421k (-11,323) and the net profit or loss for the period to EUR 11,793k (-12,513).

Segment Reporting

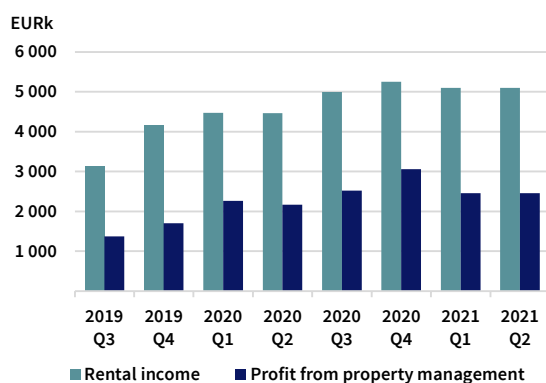
As of 1 January 2021, the segment reporting has changed and now comprises the following segments: Properties in Lithuania, Properties in Latvia and Other investments. The comparative period has been recalculated.

Properties in Lithuania generated a profit from property management of EUR 6,887k (4,963) and a net profit for the period of EUR 9,128k (7,117). Properties in Latvia generated a profit from property management of EUR 520k (1,158) and a net profit for the period of EUR 96k (-263). The earnings from the Latvian segment are affected by higher vacancies than in the comparable period of the previous year.

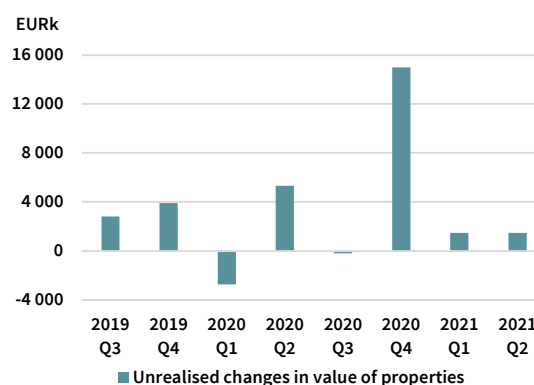
Other investments generated a net profit for the period of EUR 4,854k (-17,678), of which dividends amounted to EUR 3,906k and unrealised value changes to EUR 948k.

Unallocated central administration expenses and other financial income and expenses amounted to EUR -2,118k (-1,689).

RENTAL INCOME & PROFIT FROM PROPERTY MGMT



UNREALISED CHANGES IN VALUE OF PROPERTIES



Reports in summary

The tables below provide a summary of the income statement for January-June 2021 and 2020, respectively, and balance sheet as on 30 June 2021 and 31 December 2020, respectively.

EARNINGS AND FINANCIAL POSITION

Summary, EURk	2021 Jan-Jun	2020 Jan-Jun
Rental income	10,522	8,942
Property costs	-984	-911
Net operating income	9,538	8,031
Central administration	-2,059	-1,689
Financial income/expenses	-2,190	-1,910
Profit from property management	5,289	4,432
Unrealised value changes	4,225	-15,755
Realised value changes and dividends from investments	3,906	-
Tax	-1,627	-1,190
Net profit /loss for the period	11,793	-12,513

Summary, EURk	2021 30 Jun	2020 31 Dec
ASSETS		
Investment properties	414,986	372,400
Long-term securities holdings	103,100	102,152
Cash and cash equivalents	20,218	24,278
Other assets	4,340	3,395
TOTAL ASSETS	542,644	502,225
EQUITY AND LIABILITIES		
Equity	315,348	309,942
Interest-bearing liabilities	199,339	173,151
Derivatives	2,384	2,745
Deferred tax liabilities	12,482	10,855
Other liabilities	13,091	5,532
TOTAL EQUITY AND LIABILITIES	542,644	502,225

Summary segment reporting

Below is a summary of segment reporting for January-June 2021 and 2020, respectively.

EARNINGS BY SEGMENT

EURk	2021 Jan-Jun	2020 Jan-Jun
Properties in Lithuania		
Profit from property management	6,687	4,963
Unrealised value changes, properties	3,340	4,005
Unrealised value changes, derivatives	528	-661
Deferred tax	-1,627	-1,190
Profit/loss, Properties in Lithuania	9,128	7,117
Properties in Latvia		
Profit from property management	520	1,158
Unrealised value changes, properties	-424	-1,421
Unrealised value changes, derivatives	-167	-
Profit/loss, Properties in Latvia	-71	-263
Other investments		
Unrealised value changes	948	-17,678
Dividends	3,906	-
Profit/loss, Other investments	4,854	-17,678
Unallocated		
Central administration and other operating expenses	-2,059	-1,689
Unallocated net financial income/expense	-58	-
Profit/loss, Unallocated	-2,118	-1,689
Net profit /loss for the period	11,793	-12,513

Financing

Eastnine's activities are primarily financed with equity and interest-bearing liabilities. According to the financing policy, the equity/asset ratio should be at least 35 per cent, while the loan-to-value ratio on properties should not exceed 60 per cent.

Equity amounted to EUR 315,348k (309,942) at the end of the period and the equity/asset ratio to 58 per cent (62). Interest-bearing liabilities amounted to EUR 199,339k (173,151), of which 9 per cent refers to "green financing". In the second quarter, new bank credits of EUR 29,277k have been raised, of which EUR 19,277k in conjunction with property acquisitions. Two loans of EUR 14,187k and EUR 11,869k, respectively, originally maturing in September 2021 and September 2022, respectively, have been refinanced with the existing creditor, as a result of which the maturation has been extended to 31 December 2024. The loan-to-value ratio on properties amounted to 48 per cent (46) and the net loan-to-value ratio on properties to 43 per cent (40). Over all assets, the loan-to-value ratio amounted to 38 per cent (36) and the net loan-to-value ratio to 35 per cent (31). At the end of the period, unutilised overdraft facilities amounted to EUR 3,000k (3,000).

The average rent level amounted to 2.3 per cent (2.3) at the end of the period. The average fixed interest term was 2.1 years (2.3) and the average capital tie-up period 3.0 years (3.0). All interest-bearing liabilities, except the unutilised overdraft facility, carry variable interest indexed to Euribor 3M, but 73 per cent (75) have been fixed using derivatives.

During the period, repayments have been made amounting to EUR 3,089k. The annual repayment rate according to the agreements amounted to EUR 6,510k, corresponding to 3.3 per cent of the interest-bearing liabilities at the end of the period.

Eastnine's derivatives comprised, at the end of the period, EUR 146,314k (129,375) in interest rate swaps, of which 40 per cent mature in 2023, 39 per cent in 2024, 16 per cent in 2025 and 5 per cent in 2026.

The derivatives are measured at fair value and the change in value is recognised through profit or loss, with no effect on cash flow. The fair value of the derivatives amounted to EUR -2,384k (-2,745) at the end of the period. At the end of the term, the value of derivatives is always zero.

Tax

The tax expenses for the period amounted to EUR -1,627k (-1,190), all of which relates to deferred tax in Lithuania where a corporate income tax of 15 per cent is applied. The stated 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. No corporate income tax is reported in Estonia or Latvia, where a 20 per cent corporate income tax is levied only on distributed profits.

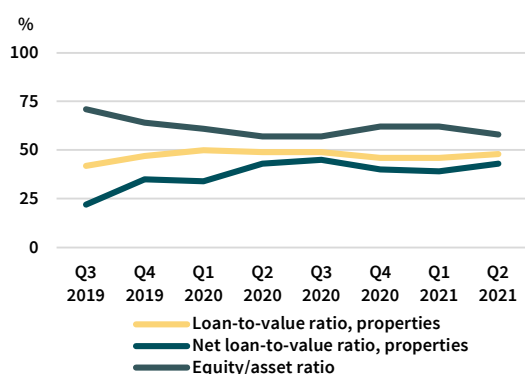
Net asset value and equity per share

Long-term net asset value per share was EUR 14.9 (14.6) corresponding to 151 SEK per share (147). Equity per share was EUR 14.2 (14.0) corresponding to 144 SEK per share (141).

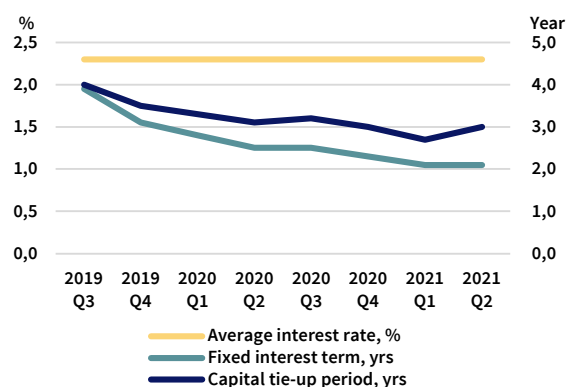
Cash flow

Cash flow from operating activities before changes in working capital amounted to EUR 9,416k (4,415) during the period. Change in working capital was EUR -806k (-1,460). Cash flow from investing activities amounted to EUR -37,171k (-43,363) and from financing activities to EUR 24,506k (24,600). Cash flow for the period amounted to EUR -4,055k (-15,709). Cash and cash equivalents at the end of the period amounted to EUR 20,218k (24,278).

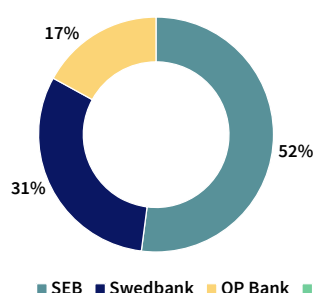
LOAN-TO-VALUE AND EQUITY/ASSET RATIOS



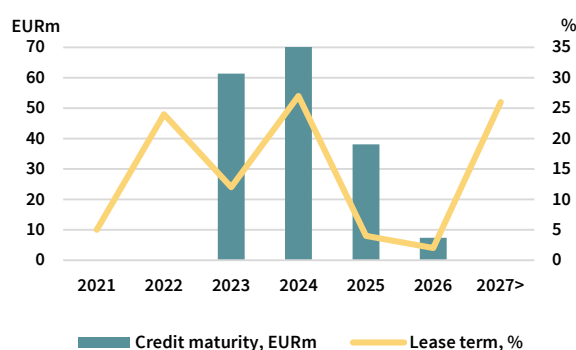
FIXED INTEREST AND CAPITAL TIE-UP



DISTRIBUTION OF BANK LOANS



CREDIT MATURITY AND TERM OF LEASE AGREEMENTS



Property portfolio

During second quarter, Eastnine acquired two fully let office properties in Riga and Vilnius, respectively. Property value increased by EUR 42.6m during the period through acquisitions, investments and unrealised value changes.

Property portfolio

Eastnine's property portfolio consists of twelve modern office properties in Riga and Vilnius. Two fully let office properties have been acquired during the second quarter, for EUR 35.5m. The property comprises around 10,500 sq.m. and 300 parking spaces. Total lettable area amounted at the end of the period to around 130,700 sq.m. The average age of all properties, excluding the Kimmel development project, amounted to just over eight years. The value has increased by EUR 42.6m, primarily due to acquisitions, to EUR 415m. The rental value amounted to EUR 25.0m (22.8) and the occupancy rate to 92.6 per cent (92.6) by the end of the period.

Vilnius

Eastnine's property portfolio in central Vilnius can be divided into three clusters of office properties. Two of the clusters are concentrated to the business district, along the street Konstitucijos prospektas, north of the river Neris. Nearly all of the class A office properties in Vilnius are located in this central business district. The third cluster is located adjacent to the parliamentary district and includes Eastnine's properties Vertas-1, Vertas-2 and Uniq. Total lettable area amounted to around 108,000 sq.m., corresponding to a market share of around 12 per cent of the office market in the city.

The property portfolio in Vilnius includes site leaseholds as well as property rights. Vertas-1, Vertas-2 and Uniq are held with ownership and other properties as leaseholds. The remaining lease term for the site leaseholds vary between 21 and 79 years. The total property value amounted at the end of the period to EUR 339.0m (311.7).

Riga

Riga does not as yet have a clearly delineated business district, and modern office buildings are being developed in a number of micro-areas. All of Eastnine's office properties in

Riga are located in the centre of the city, along Krisjana Valdemara iela, one of the city's most prominent streets, as well as Zala iela. The property portfolio, comprising around 22,700 sq.m. lettable area, is estimated to correspond to an office market share of around four per cent. The properties Kimmel and Alojas Biroji are expected to undergo significant development. In Riga, all properties are held with ownership rights. The total property value amounted at the end of the period to EUR 76.0m (60.7).

Property development

At the end of the period, Eastnine had two development projects, The Pine and Kimmel, both located in Riga. The projects are in the planning stages. As for the development project at the Pine, located along the Krisjana Valdemara iela main street, Eastnine plans to construct the first all-wooden office building in the Baltics. The building will be constructed directly adjacent to an existing building on the Alojas Biroji property and is estimated to comprise 18,000 sq.m. of lettable area. The plan is that the Pine will be one of the finest office properties in the Baltics, both in terms of the sustainability as well as tenant experience, and the property is expected to achieve a climate-neutral operation once it is complete. The Pine is the first office property in the Baltics planned to obtain double sustainability certificates: LEED Platinum for the building itself and WELL which concerns the well-being of the people spending time in it. The final building permit is expected in 2021.

The Kimmel property, comprising a development site in central Riga, previously the site of the eponymous brewery. The site comprises nearly an entire city block along the Krisjana Valdemara iela main street. At present, the site is occupied by around 4,000 sq.m. of buildings which are grade listed, these must be conserved, but may be developed, in addition to an opportunity to develop an estimated further 34,000 sq.m. A demolition permit for the other existing buildings has been received, and demolition began in January 2021.

PROPERTY PORTFOLIO

City	Lettable area, sq.m.				Vacant area, sq.m.	Occupancy rate, %	Property value, EURm	Share of value, %
	Offices	Retail and service	Other	Total area				
Vilnius	104,066	3,628	351	108,045	2,974	97.2	339.0	82
Riga	19,751	2,471	435	22,657	6,762	70.2	76.0	18
Total	123,817	6,099	786	130,702	9,736	92.6	415.0	100

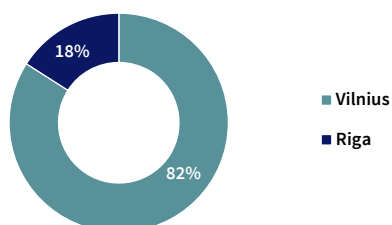
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At the end of April Eastnine announced an open, international architectural competition for 3Bures-4, which will be located adjacent to the other 3Bures properties in Vilnius. The competition is expected to be finished in the third quarter.

Value changes in properties

The value of the properties increased during the period to EUR 414,986k (372,400) as a result of acquisitions and investments in existing properties, as well as unrealised value changes. Eastnine has acquired two properties for a total purchase consideration of EUR 38,486k, of which EUR 35,500k is the purchase price, EUR 486k relates to transaction costs and EUR 2,500k is additional purchase considerations, which may be paid in the event of a lease agreement prolongation. Investments in existing properties amounted to EUR 1,184k in existing properties, of which EUR 496k relates to properties that are subject to significant project development.

PROPERTY PORTFOLIO BY CITY, VALUE



The unrealised value change of EUR 2,916k, corresponds to 0.8 per cent of opening property values at the beginning of the year. The unrealised positive value change during the period is chiefly due to increased future cash flows, attributable to higher rental income than previously estimated. At the same time, future cash flows attributable to rent losses, as a consequence of the coronavirus pandemic, has affected valuations negatively.

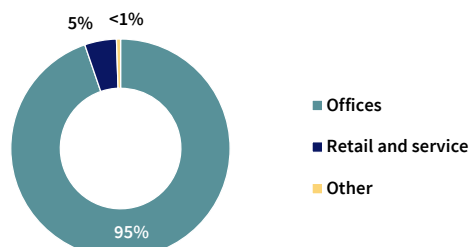
Investments and divestments

During the period, Eastnine has acquired and taken two fully let office properties into possession, one in Riga and one in Vilnius. Both properties complement Eastnine's existing portfolio well, in each city. The property Zala 1 in Riga, consisting of 3,600 sq.m., is centrally located near Valdemara Centrs and Alojas Biroji, and includes 190 parking spaces. Uniq in Vilnius, consisting 6,900 sq.m. is located next to Vertas-1 and Vertas-2 and includes 110 parking spaces.

CHANGE IN PROPERTY VALUE, EURK

	2021 Jan-Jun	2020 Jan-Dec
Property value at the beginning of the year	372,400	290,256
Property acquisitions	38,486	62,461
Investments in existing properties	1,184	2,300
Unrealised value changes	2,916	17,383
Property value at the end of the period	414,986	372,400

PROPERTY PORTFOLIO BY CATEGORY, VALUE



New vision for the Kimmel quarter in Riga

Tenants

Eastnine offers flexible and high-quality office premises in central business locations to tenants, with a considerable focus on matching the location and sustainability of the premises with the Company's own high standards. Several properties have Business Centres, hosting services like a reception during business hours and around-the-clock security guards. Restaurants, dry-cleaning and tailoring services, as well as parking is also available in most of the properties.

Eastnine's tenants are primarily large and stable Nordic companies with international operations. Around 72 per cent of all tenants operate in the Finance and ICT industries. Eastnine, as a landlord, as well as our tenants have strict expectations for sustainable and first-rate offices. In order to meet the demand for modern and efficient office solutions, Eastnine works actively to, inter alia, obtain environmental certifications for its properties.

Danske Bank is the largest tenant with around 31 per cent of total annual rent. The ten largest tenants lease around 82,800 sq.m. for a total annual rent of EUR 14,747k. At the end of the period, the average remaining lease term for all tenants amounted to 3.8 years (5.0), and for the ten largest tenants 4.0 years (5.7).

Lease agreements

The rental market in the Baltics is different from Sweden in terms of the way lease agreements are formulated. The

majority of lease agreements have fixed terms and expire at the end of the term. Agreements may however include clauses conferring a right to the tenant to renew leases and a preferential right conferred to the tenant to renegotiate leased areas and to expand the area under contract when the term is up. An extension, therefore, requires both parties to actively renegotiate.

The rent on all offices leased from Eastnine is due monthly. The average rent level amounted, at the end of the period, to EUR 15.0 per sq.m. per month (14.9). The total rental income under contract, for all tenants and the entire lease terms, amounted to EUR 87.1m, of which 30 per cent expire in 2025 or later.

Lettings

During the period 3,500 sq.m., corresponding to an annual rent of EUR 610k, have been renegotiated. Net leasing, i.e., new agreements less agreements that have expired, was negative at -3,700 sq.m., corresponding to an annual rent of EUR 707k. The single largest expiration related to Danske Bank's lease in 3Bures-1,2, concerning around 4,300 sq.m. Danske Bank will be vacating by 31 July 2021. Renegotiated lease agreements have been signed at unchanged rent levels, i.e., EUR 13.6 per sq.m. per month. For new leases, the average rent level was EUR 15.2 per sq.m.

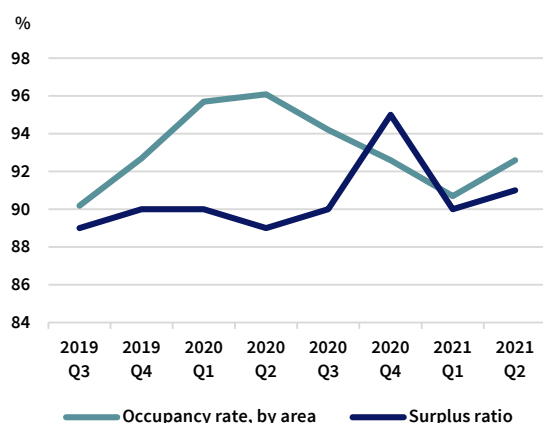
LARGEST TENANTS

Tenant	Annual rent, EURk	Share of annual rent under contract, %	Sq.m.	Number of agreements	Lease agreement term ¹ , years	Break option in lease agreements ² , years
Danske Bank	6,691	31	37,842	4	1.8	1.8
Telia	2,876	13	15,952	1	7.7	7.7
Swedbank	1,843	9	11,266	4	10.2	4.2
Visma	970	5	5,571	3	2.5	2.5
Citco	660	3	3,009	7	6.1	6.1
Webhelp	538	2	2,726	5	1.1	1.1
Cobalt	330	2	1,816	4	3.5	3.5
Europos Socialinio fondo agentura	287	1	1,769	3	1.8	1.8
Invalda INVL	281	1	1,532	3	4.5	4.5
Aviva	270	1	1,306	2	0.8	0.8
Total	14,747	68	82,789	36	4.0	3.3

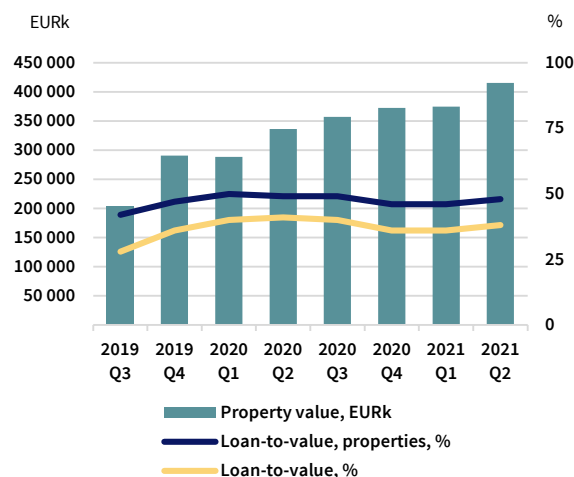
¹Weighted average of remaining lease term.

²Weighted average remaining lease term calculated up to "break option" date.

OCCUPANCY RATE AND SURPLUS RATIO



PROPERTY VALUE AND LOAN-TO-VALUE RATIO



Market value, property portfolio

The market value amounted at the end of the period to EUR 415.0m (372.4). Unrealised value changes on properties amounted to EUR 2,916k, corresponding to 0.8 per cent of opening property values.

Eastnine values its properties quarterly, with an external valuation taking place at least once over a rolling 12-month period. External and internal valuations are carried out using the same valuation methodology and software, so that the same observable and non-observable input data can be included each quarter. Refer also to note 10 (Investment properties) in the Annual Report 2020 for more information about the valuation model, the assumptions made and property values. As in previous year, external valuations have been carried out by Colliers International Advisors in Latvia and Lithuania.

Valuation model and process

The valuation model is based on the present value of future cash flows calculated 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 is normally applied to properties with only one or a handful of tenants with long lease terms, where the cash flow is more predictable. The external valuations are carried out in accordance with international valuation standards (IVS 2020). When external valuations are carried out, the properties are inspected on site.

Future cash flows from the property during the calculation period are calculated according to the following model:

+ Rental income, including rent supplements
- Operating costs
- Maintenance costs

Total net operating income

- Less investments

Total cash flow

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 which have a considerable impact on the value are current rent levels, past and budgeted property expenses, determined and known future investments and actual inflation. Non-observable data are yield requirements as well as expected future market rents, vacancies and inflation.

The estimated market rent in the valuations amounted on average to EUR 15.0 per sq.m. The majority of the lease agreements are so-called triple-net leases, which is why property costs chiefly have an effect during vacancies.

Tenant-specific customisations and investments made for new letting is calculated as EUR 180 per sq.m. in Latvia and EUR 190 per sq.m. in Lithuania. Other property investments have been calculated in the interval from 2.0 to 3.0 per cent of rental income, and averaged 2.4 per cent.

The long-term vacancy rate is generally set at 4.5 per cent in the valuation models. The inflation has been considered zero for the nearest year, then to increase to 0.5 per cent in year two, and thereafter to amount to 1.5 per cent. The average discount rate was 7.2 per cent and the weighted average cost of capital in the valuation model is unchanged since the turn of the year at 5.8 per cent.

VALUATION MODEL

	2021 30 Jun	2020 31 Dec
Weighted average cost of capital, %	5.8	5.8
Average property investments, %	2.4	2.2
Average rent, EUR/sq.m./month	15.0	15.0
Average discount rate, %	7.2	7.2
Investment for new letting, EUR/sq.m.	180/ 190	180/ 190
Long-term inflation, %	1.5	1.5
Long-term vacancy rate, %	4.5	4.5

RENTAL VALUE AND OCCUPANCY RATE PER TYPE OF PREMISE

Type of premise	Sq.m.	Rental value, EURm	Rental value, EUR/sq.m.	Occupancy rate, %
Offices	123,817	22.4	15.1	92.8
Retail and service	6,099	1.0	13.2	93.9
Parking	-	1.4	-	-
Other ¹	786	0.2	7.3	47.8
Total	130,702	25.0	15.0	92.6

¹ Includes rental value for other premises and e.g. advertising boards and aerials. Rental value EUR/sq.m. is calculated using solely rental value attributable to other premises.

Current earning capacity

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 2021.

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 day.

Earning capacity does not take into account an assessment of the development of rent levels, vacancy, property expenses, 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 comprises contracted income including rent supplements, with deductions for any rental discounts, on the reporting day.
- Property costs (rounded) are based on an assessment of a normal year's operating expenses, maintenance costs, property taxes, site leasehold fees as well as property management expenses.
- Central administration expenses (rounded) have been calculated based on the existing organisation and the current property portfolio on the reporting day.
- Financial income and expenses have been calculated based on the interest-bearing liabilities as on the reporting day and the average rent level and other financial income and expenses that are applicable as at the end of the period.

Comments to earning capacity

- The rental value and occupancy rate has increased during the quarter as a result of the acquisitions of two fully let properties.
- Higher occupancy rates in comparable properties have reduced the vacancy value.
- The rental income increase is slightly higher as a percentage of the rental value, while the estimated property expenses are unchanged.
- Interest expenses increase due to new credits raised relating to acquired properties as well as a new net financing concerning the existing property portfolio.
- The surplus ratio and the forward-looking yield requirement increased somewhat due to the improved vacancy situation.

Current earning capacity, EUR thousands	2021 30 Jun	2021 31 Mar	Change, %
Rental value	24,999	22,776	+10
Less vacancy values	-1,913	-2,177	-12
Sum rental income	23,086	20,599	+12
Property costs	-2,100	-2,100	0
Net operating income	20,986	18,499	+13
Central administration expenses	-3,800	-3,600	+6
Interest expenses	-4,710	-3,988	+18
Other financial income and expenses	-52	-52	0
Profit from property management	12,424	10,859	+14

Key figures, current earning capacity	2021 30 Jun	2020 31 Mar	Change, unit
Surplus ratio, %	91	90	+1
Interest coverage ratio, x	3.6	3.7	-0.1
Average interest rate, %	2.3	2.3	0.0
Prospective yield excl. development properties, %	5.2	5.1	+0.1
Prospective yield, %	5.1	4.9	+0.2
Investment properties, EURk	414,986	374,200	+40,786

Other investments

Other investments comprise holdings in Melon Fashion Group (MFG) as well as East Capital Baltic Property Fund II (EC BPFII). The value of these holdings increased by EUR 87k during the period. During the second quarter, Eastnine received a dividend of EUR 3,906k. Eastnine intends to free up the capital from other investments in order to dedicate it to property investments.

Melon Fashion Group

Melon Fashion Group is one of the leading actors in the Russian fashion industry with a business model based on inhouse design with production in Asia. MFG had, at the end of the period, a retail network comprising a total of 818 outlets (809), of which 247 (240) were operated by franchisees. The total store area amounted to 211,000 sq.m., of which 41,000 sq.m. in franchise stores. MFG markets the brands Sela, Befree, Zarina and Love Republic. Each brand targets a specific target audience with its own, unique design language.

The period January - May 2021

MFG publishes their six-month interim report according to IFRS after Eastnine publishes theirs. For this reason, preliminary figures for January-May are used as the basis for Eastnine's report as relates to MFG. MFG exhibited continued strong sales growth, where sales in e-commerce increased by 55 per cent compared to the same period last year. The proportion of e-commerce amounted to 32 per cent of total sales, compared to 42 per cent during the first five months of 2020 (an effect of the closure of the physical stores in the spring of 2020) and 17 per cent 2019. The total sales increased by 103 per cent to RUB 14,077m (6,937). The EBITDA, excluding effects of IFRS 16, amounted to RUB 1,482m (-326) and the EBITDA margin to 10.5 per cent (-4.7). Net profits amounted to RUB 1,304m (-786). MFG enjoys continued good liquidity and paid a dividend amounting to RUB 806m (-).

Eastnine's share in MFG

Eastnine owns 36 per cent of MFG. The holding is unburdened. The value of the holding in MFG rose by EUR 861k (-18,406) to EUR 80,182k (79,320) at the end of the

Key figures, MFG holding	2021 30 Jun	2020 31 Dec	2021 Jan-Jun	2020 Jan-Jun
Unrealised value change, EURk			861	-18,406
Received dividends, EURk	36	36	3,266	-
Total return, %			5.2	-27.5
Fair value, Eastnine's share, EURk	80,182	79,320		
Proportion of Eastnine assets, %	14.8	15.8		

PROPORTION OF EASTNINE ASSETS



period. MFG's dividend to its shareholders in the second quarter resulted in a negative unrealised value change, while the strengthening of the RUB toward the EUR during the period had a positive impact. During the second quarter, Eastnine received a dividend of EUR 3,266k (-) from MFG. The total return on the holding was 5.2 per cent (-27,5) during the period.

East Capital Baltic Property Fund II

EC BPFII was started in 2012. The fund, a so-called "closed end fund", is fully invested and is currently in its final extension period, maturing in May 2022. The fund has a total of four properties in logistics, retail and offices, all located in Tallinn.

The period January-June 2021

The fund reported a continued positive net return and cash flow during the period, despite dividends paid during the second quarter.

Eastnine's share of the fund

Eastnine holds a 12 per cent ownership and voting stake in East Capital (Lux) SCA, SICAV-SIF, (an umbrella fund). The holding is unburdened. This holding means that Eastnine receives a 43 per cent share of the returns from the sub-fund EC BPFII. The value of the holding in the fund consists of Eastnine's share of the fund's total value. The value of Eastnine's holding increased by EUR87k (728) during the period, after a dividend paid to the holders during the second quarter, and amounted to EUR 22,918k (22,831) after the end of the period.

During the second quarter, Eastnine has received dividend from the fund by EUR 640k. The total return on the holding was 3.2 per cent (3.3) during the period.

Key figures, EC BPF II holding	2021 Jan-Jun	2020 Jan-Jun
Unrealised value change, EURk	87	728
Received dividends, EURk	640	-
Total return, %	3.2	3.3

Key figures, EC BPF II holding	2021 30 Jun	2020 31 Dec
Eastnine's share of fund returns, %	43	43
Fair value of Eastnine's holding, EURk	22,918	22,831
Proportion of Eastnine assets, %	4.2	4.5

PROPORTION OF EASTNINE ASSETS



Other information and accounting principles

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 through the Estonian subsidiary Eastnine Baltics OÜ, with subsidiaries in Latvia and Lithuania, which together comprise the Eastnine Group. 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 concern the period January-June 2021. 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. A more detailed description of Eastnine's material risks and uncertainties is provided in the Company's Annual Report 2020 on pgs. 49-54. Effects of the coronavirus pandemic are described on p. 8 in the Annual Report 2020. A current analysis of the market conditions is provided in the Market section on p. 5.

Parent Company

Net profit/loss for the period amounted to EUR 3,778k (-18,322). The result is primarily attributable to a dividend received from, and an unrealised value change in, Melon Fashion Group totalling EUR 4,127k (-18,406). For the Parent Company's income statement and balance sheet, see p. 24.

Dividend

The Annual General Meeting has decided on a dividend of SEK 3.00 per share (2.70) for the 2020 financial year, distributed over four payments. In May, SEK 0.75 per share was paid out. For upcoming dividend payments, please refer to the calendar on p. 30.

Sustainability

Eastnine undertakes active sustainability efforts. At the end of the period, 88 per cent of the property area (excluding properties expected to undergo significant redevelopment) was certified for sustainability, attaining either LEED Platinum or BREEAM Excellent. Eastnine's goal is that 100 per cent of certifiable area should have obtained sustainability certificates on the level of at least LEED Gold or BREEAM Excellent.

As for Eastnine's planned new development of the first all-wooden office building in the Baltics, the Pine in Riga, this building is planned to receive double sustainability certificates: LEED Platinum and WELL. The goal for the Kimmel project in Riga is a LEED Platinum certificate. The sustainability report in the Annual Report 2020, which was produced according to the Global Reporting Initiative's guidelines, contains information about the Company's primary concerns, sustainability goals and indicators.

Selection of other sustainability issues:

- In 2021, Eastnine was awarded the U.S. Green Building Council Leadership Award in the Europe category for its work of development of green buildings.
- In conjunction with a new project to promote biodiversity, beehives have been placed on the roof of Vertas-1 in Vilnius.
- All lease agreements in six out of a total of twelve properties are now "green leases".

Beehives on the roof of the property Vertas-1 in Vilnius



- At the end of the period, Eastnine had carried out a review of 28 of 30 selected strategic suppliers.
- Nine per cent of bank financing are comprised of green loans, and Eastnine's green financing framework has been awarded the highest possible rating, Dark Green and Excellent, by CICERO.
- The Company tied third place in the Allbright Foundation's 2020 ranking of gender equality among listed companies in Sweden.
- In the employee survey carried out in 2020, 100 per cent of employees considered Eastnine to be a "Great Place to Work", and the "Trust Index" amounted to 95 per cent.
- Eastnine was awarded five stars in GRESB's review of the sustainability efforts among real estate companies globally, and is thereby part of the top 20th percentile of real estate companies globally.

Accounting principles

Eastnine AB (publ) prepares its consolidated accounts according to the International Financial Reporting Standards (IFRS), approved by the European Union as well as interpretations of these (IFRIC). 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).

Accounting principles, calculation methods and valuation methods correspond to those that were applied in the Annual Report 2020 as well as the Interim Report for January-March 2021. The interim report is to be read together with the Annual report. New or revised IFRS

standards or other IFRIC interpretations approved by the EU and applying from 1 January 2021 have not had a material effect on the Group's financial statements.

The Parent Company prepares 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 principles, calculation methods and valuation methods as at the last Annual report.

Segment Reporting

Eastnine classifies and evaluates its various segments according to geography as well as the nature of the investments. The Company's senior management follow up on the following segments, which corresponds to the reporting provided to the Board of Directors: Properties in Lithuania, Properties in Latvia and Other investments. The segment reporting is changed in comparison to the previous year, and the comparative period has been recalculated.

Related parties

Eastnine AB has a related party relationship with its subsidiaries, see Note 31 in the Annual Report 2020, as well as with Board members and employees.

Eastnine AB's management, Board members and their close relatives and related companies control 29 (29) per cent of voting rights in the Company.

Key events after end of period

At the beginning of July, Eastnine issued a green bond of EUR 45m, with a term of three years. The bond is the Company's first debt financing on the capital market.

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 Parent Company and the Group.

Stockholm, 14 July 2021

Liselotte Hjorth
Chairman of the Board

Christian Hermelin
Board member

Peter Elam Håkansson
Board member

Ylva Sarby Westman
Board member

Peter Wågström
Board member

Kestutis Sasnauskas
CEO

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

The share

Eastnine's share price rose by 7 per cent during the first six months of the year and was SEK 133.6 (125.0) at the end of the period. Long-term NAV per share rose by 3 per cent to SEK 151 (147), chiefly due to a strong profit from property management as well as positive unrealised value changes and a strengthening of the euro in relation to SEK.

Share price development and volume

Eastnine's share price rose by nearly SEK 9 during the period, to SEK 133.6 as of 30 June. The highest closing price was noted on 8 June, at SEK 138.8, and the lowest closing price on 28 January at SEK 117.2.

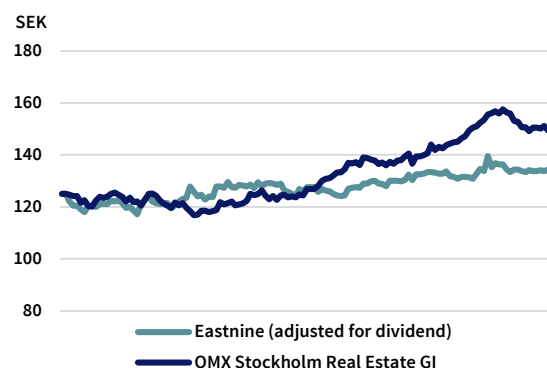
Eastnine's market capitalisation amounted at the end of the period to SEK 3.0 billion (2.8). The average daily volume on Nasdaq increased to 16,662 shares (15,577) during the period. The free float amounted to 62.8 per cent (62.8) at the end of the period.

Net asset value

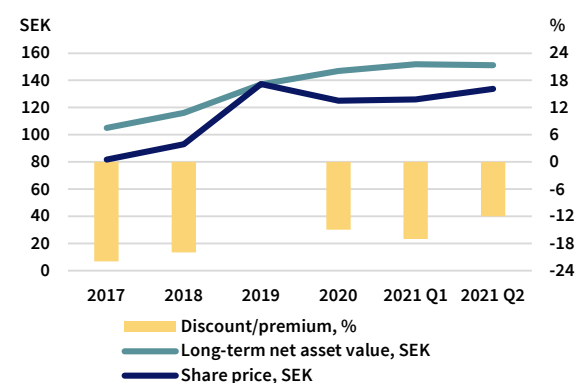
The long-term NAV per share rose by SEK 4 during the period, corresponding to 3 per cent, amounting at period end to SEK 151 (147). The value in EUR rose by 2 per cent to 14.9 (14.6). Equity per share rose by SEK 3, corresponding to 3 per cent, to SEK 144 (141). The value in EUR rose by 2 per cent to 14.2 (14.0).

Positive unrealised value changes to properties, derivatives and other investments, a positive profit from property management, as well as a strengthening of EUR to SEK were the primary factors contributing to the rise in NAV per share. The net asset value discount decreased, during the second quarter, and amounted to approximately 12 per cent at the end of the period.

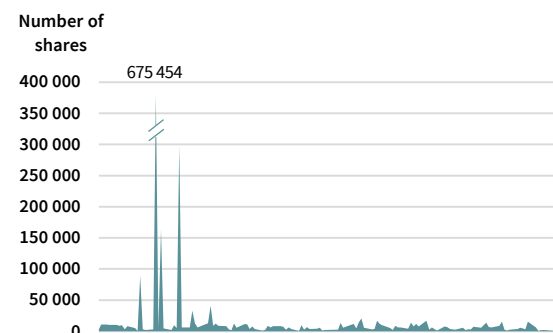
SHARE PRICE 2021



SHARE PRICE AND NET ASSET VALUE



TURNOVER JAN-JUN 2021



KEY FIGURES

Data per share	2021	2020
	30 Jun	31 Dec
Equity, EUR	14.2	14.0
Long-term net asset value, EUR	14.9	14.6
Share price, EUR	13.2	12.4
Equity, SEK	144	141
Long-term net asset value, SEK	151	147
Share price, SEK	133.6	125.0

Number of shares

Eastnine's share is listed on Nasdaq Stockholm Mid Cap, sector Real Estate. The total number of shares in Eastnine amounted to 22,370,261 on 30 Jun 2021. Adjusted for repurchased shares held in treasury, the number of listed shares amounted to 22,149,061.

The number of known shareholders increased somewhat during the period and amounted to 5,118 (4,990) at end of period. Two owners, Peter Elam Håkansson and Arbona AB, held at least ten per cent of the total number of shares in the Company. The proportion of shares that are Swedish-owned amounted to 75.6 per cent (73.9).

Buy-back

On 30 June 2021, the Company held 221,200 own shares in treasury, corresponding to around 1.0 per cent of total

outstanding shares. Repurchased shares may be used for Eastnine's LTIP programme. The dilution effect, of repurchased shares that at the end of the period are judged to be used for current LTIP programme, is reported for the key ratio Earnings per share.

At the AGM 2021, 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 Annual General Meeting has decided on a dividend of SEK 3.00 per share (2.70) for the 2020 financial year, evenly distributed over four payments. The first payment took place in May 2021. For further dates, please refer to the calendar on p. 30.

LARGEST SHAREHOLDERS AS OF 30 JUNE 2021

Shareholders	Number of shares	%
Peter Elam Håkansson ¹	6,074,754	27.2
Arbona AB (publ)	2,240,328	10.0
Keel Capital	1,829,731	8.2
Lazard Asset Management	1,380,698	6.2
ICA-handlarnas Förbund	1,000,000	4.5
Patrik Brummer	832,930	3.7
Norges Bank	661,159	3.0
Nordnet Pensionsförsäkring	512,415	2.3
Kestutis Sasnauskas	461,818	2.1
Avanza Pension	431,608	1.9
Dimensional Fund Advisors	330,771	1.5
Karine Hirn	272,647	1.2
CARN Capital	249,388	1.1
Jacob Grapengiesser	167,861	0.8
SEB Fonder	144,169	0.6
15 largest	16,595,277	74.3
Eastnine AB (repurchased shares)	221,200	1.0
Other	5,553,784	24.7
Total	22,370,261	100.0

¹Private and via companies (East Capital Holding AB and Rytu Invest AB). Source: Monitor

Summary financial reports

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR thousands	2021 Jan-Jun	2020 Jan-Jun	2021 Apr-Jun	2020 Apr-Jun	2020 Jan-Dec	2020/2021 Jul-Jun
Rental income	10 522	8 942	5 423	4 467	19 186	20 766
Property expenses	-984	-911	-497	-480	-1 689	-1 761
Net operating income	9 538	8 031	4 925	3 987	17 497	19 005
Central administration expenses	-2 059	-1 689	-936	-865	-3 515	-3 885
Interest expenses	-2 122	-1 715	-1 108	-852	-3 703	-4 110
Other financial income and expenses	-68	-195	-46	-100	-268	-141
Profit from property management	5 289	4 432	2 836	2 170	10 011	10 869
Unrealised changes in value of properties	2 916	2 584	1 450	5 322	17 383	17 715
Unrealised changes in value of derivatives	361	-661	22	-426	-782	240
Unrealised changes in value of investments	948	-17 678	-994	3 605	13 443	32 069
Realised value changes and dividends from investments	3 906	-	3 906	-	640	4 546
Profit/loss before tax	13 421	-11 323	7 220	10 671	40 695	65 438
Current tax	-	-	-	-	-	-
Deferred tax	-1 627	-1 190	-1 076	-931	-4 540	-4 977
Net profit/loss for the period/year¹	11 793	-12 513	6 144	9 740	36 155	60 461
Number of shares issued, adjusted for repurchased shares, thousand	22 149	21 149	22 149	21 149	22 149	22 149
Weighted average number of shares before dilution, thousand	22 149	21 149	22 149	21 149	21 269	21 765
Weighted average number of shares after dilution, thousand	22 205	21 205	22 205	21 203	21 319	21 821
Earnings per share before dilution, EUR	0,53	-0,59	0,28	0,46	1,70	2,78
Earnings per share after dilution, EUR	0,53	-0,59	0,28	0,46	1,70	2,77

¹Total comprehensive income for the period/year corresponds to net profit/loss for the period/year.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR thousands	2021 30 Jun	2020 31 Dec	2020 30 Jun
ASSETS			
Non-current assets			
Intangible assets	2	2	2
Investment properties	414 986	372 400	336 200
Right-of-use assets, leaseholds	1 341	1 197	1 251
Equipment	146	174	194
Long-term securities holdings	103 100	102 152	71 031
Other non-current receivables	137	465	175
Total non-current assets	519 712	476 389	408 853
Current assets			
Other current assets	2 714	1 557	11 455
Cash and cash equivalents	20 218	24 278	21 688
Total current assets	22 931	25 836	33 143
TOTAL ASSETS	542 644	502 225	441 996
EQUITY AND LIABILITIES			
Equity			
Share capital	3 660	3 660	3 660
Other contributed capital	251 462	257 850	252 255
Retained earnings including net profit/loss for the period/year	60 226	48 432	-5 662
Total equity	315 348	309 942	250 253
Non-current liabilities			
Interest-bearing liabilities	192 829	153 208	159 338
Derivatives	2 384	2 745	2 624
Deferred tax liabilities	12 482	10 855	7 504
Lease liability	1 321	1 175	1 226
Other non-current liabilities	1 729	1 790	1 613
Total non-current liabilities	210 745	169 772	172 304
Current liabilities			
Interest-bearing liabilities	6 510	19 943	5 783
Other liabilities	6 537	1 703	12 846
Accrued expenses and deferred income	3 504	865	810
Total current liabilities	16 551	22 510	19 439
TOTAL EQUITY AND LIABILITIES	542 644	502 225	441 996

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR thousands	Share capital	Other contributed capital	Retained earnings	Total equity
Opening equity 1 January 2020	3 660	252 252	12 280	268 192
Net profit/loss for 1 January-30 June	-	-	-12 513	-12 513
Dividend to shareholders	-	-5 403	-	-5 403
Long-term incentive program	-	-23	-	-23
Closing equity 30 June 2020	3 660	246 826	-233	250 253
Net profit /loss for 1 July-31 December	-	-	48 668	48 668
Sale of treasury shares	-	10 872	-	10 872
Long-term incentive program	-	149	-	149
Closing equity 31 December 2020	3 660	257 847	48 435	309 942
Net profit/loss for 1 January-30 June	-	-	11 793	11 793
Dividend to shareholders	-	-6 520	-	-6 520
Long-term incentive program	-	132	-	132
Closing equity 30 June 2021	3 660	251 459	60 228	315 348

CONSOLIDATED STATEMENT OF CASH FLOW

EUR thousands	2021 Jan-Jun	2020 Jan-Jun	2021 Apr-Jun	2020 Apr-Jun	2020 Jan-Dec	2020/2021 Jul-Jun
Operating activities						
Profit/loss before tax	13 421	-11 323	7 220	10 671	40 695	65 438
Adjustments not included in cash flow from operating activities	-4 005	15 837	-386	-8 548	-29 694	-49 536
Income tax paid	-	-	-	-	-	-
Cash flow from operating activities before changes in working capital	9 416	4 514	6 834	2 123	11 001	15 903
Cash flow from changes in working capital						
Increase (-)/decrease(+) in other current receivables	-829	-9 097	-196	-9 184	508	8 776
Increase (+)/decrease(-) in other current payables	23	7 637	118	8 408	-549	-8 163
Cash flow from operating activities	8 610	3 054	6 756	1 347	10 960	16 516
Investing activities						
Investments in existing properties	-1 184	-971	-850	-430	-2 300	-2 513
Acquisition of properties	-35 986	-42 389	-35 986	-42 389	-62 461	-56 058
Purchase of equipment	-1	-3	-	-1	-17	-15
Cash flow from investing activities	-37 171	-43 363	-36 836	-42 820	-64 778	-58 586
Financing activities						
New loans	29 277	29 950	29 277	23 314	40 950	40 277
Repayment of loans	-3 089	-2 600	-1 561	-1 300	-5 570	-6 059
Payment of lease liabilities	-52	-48	-26	-25	-99	-103
Dividend to shareholders	-1 630	-2 702	-1 630	-2 702	-5 403	-4 331
Sale of treasury shares	-	-	-	-	10 872	10 872
Cash flow from financing activities	24 506	24 600	26 060	19 287	40 750	40 656
Cash flow for the period	-4 055	-15 709	-4 020	-22 186	-13 068	-1 414
Cash and cash equivalent at the beginning of the period	24 278	37 406	24 232	43 883	37 406	21 688
Exchange rate differences in cash and cash equivalents	-5	-9	6	-9	-60	-56
Cash and cash equivalent at the end of the period	20 218	21 688	20 218	21 688	24 278	20 218

KEY FIGURES

	2021 Jan-Jun	2020 Jan-Jun	2021 Apr-Jun	2020 Apr-Jun	2020 Jan-Dec	2020/2021 Jul-Jun
Surplus ratio, %	91	90	91	89	91	92
Loan-to-value ratio, %	38	41	38	41	36	38
Net loan-to-value ratio, %	35	35	35	35	31	35
Loan-to-value ratio, properties (LTV), %	48	49	48	49	46	48
Net loan-to-value ratio, properties (LTV), %	43	43	43	43	40	43
Debt ratio, multiple	13,2	15,2	13,2	15,2	12,4	13,2
Interest coverage ratio, multiple	3,5	3,6	3,6	3,5	3,7	3,6
Return on equity, %	7,5	-9,7	7,8	15,7	12,5	21,4
Cashflow per share from operating activities, EUR	0,39	0,14	0,31	0,06	0,52	0,76
Cashflow per share, EUR	-0,18	-0,74	-0,18	-1,04	-0,61	-0,06
Profit from property management per share, EUR	0,24	0,21	0,13	0,10	0,47	0,50
Earnings per share before dilution, EUR	0,53	-0,59	0,28	0,46	1,70	2,78
Earnings per share after dilution, EUR	0,53	-0,59	0,28	0,46	1,70	2,77

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 the following segments: Properties in Lithuania, Properties in Latvia and Other investments.

EUR thousands					
1 Jan-30 Jun 2021	Properties in Lithuania	Properties in Latvia	Other investments	Unallocated	Total
Rental income	9 308	1 214	-	-	10 522
Property expenses	-613	-370	-	-	-984
Net operating income	8 695	843	-	-	9 538
Central administration expenses	-	-	-	-2 059	-2 059
Interest expenses	-1 793	-324	-	-5	-2 122
Other financial income and expenses	-15	-	-	-53	-68
Profit from property management	6 887	520	-	-2 118	5 289
Unrealised changes in value of properties	3 340	-424	-	-	2 916
Unrealised changes in value of derivatives	528	-167	-	-	361
Unrealised changes in value of investments	-	-	948	-	948
Realised value changes and dividends from investments	-	-	3 906	-	3 906
Profit/loss before tax	10 755	-71	4 854	-2 118	13 421
Deferred tax	-1 627	-	-	-	-1 627
Net profit/loss for the period	9 128	-71	4 854	-2 118	11 793
Investment properties	338 966	76 020	-	-	414 986
<i>of which investments/acquisitions during the period</i>	23 925	15 744	-	-	39 670
Long-term securities holdings	-	-	103 100	-	103 100
Interest-bearing liabilities	166 089	33 250	-	-	199 339

EUR thousands					
1 Jan-30 Jun 2020	Properties in Lithuania	Properties in Latvia	Other investments	Unallocated	Total
Rental income	7 109	1 833	-	-	8 942
Property expenses	-564	-347	-	-	-911
Net operating income	6 545	1 486	-	-	8 031
Central administration expenses	-	-	-	-1 689	-1 689
Interest expenses	-1 387	-328	-	-	-1 715
Other financial income and expenses	-195	-	-	-	-195
Profit from property management	4 963	1 158	-	-1 689	4 432
Unrealised changes in value of properties	4 005	-1 421	-	-	2 584
Unrealised changes in value of derivatives	-661	-	-	-	-661
Unrealised changes in value of investments	-	-	-17 678	-	-17 678
Profit/loss before tax	8 307	-263	-17 678	-1 689	-11 323
Deferred tax	-1 190	-	-	-	-1 190
Net profit/loss for the period	7 117	-263	-17 678	-1 689	-12 513
Investment properties	273 000	63 200	-	-	336 200
<i>of which investments/acquisitions during the period</i>	43 174	186	-	-	43 360
Long-term securities holdings	-	-	71 031	-	71 031
Interest-bearing liabilities	138 161	26 960	-	-	165 121

LONG-TERM SECURITIES HOLDINGS

Tables below reflect the long-term securities holdings measured at fair value in level 3. Segment "Other investments" consist of the holdings in East Capital Property Fund II (EC BPF II) and JSC Melon Fashion Group (MFG). The properties in the fund are normally valued internally by fund manager at quarterly basis and externally at year end. JSC Melon Fashion Group is valued internally by Eastnine. Derivatives are measured continuously at fair value according to level 2.

Changes in long-term securities holdings measured at fair value in level 3, EUR thousands	Other investments		
	EC BPF II	MFG	Total
Opening balance 1 January 2020	21 812	66 897	88 709
Unrealised changes in values recognised net in profit/loss	1 019	12 423	13 443
Closing balance 31 December 2020	22 831	79 320	102 152
Unrealised changes in values recognised net in profit/loss	87	861	948
Closing balance 30 June 2021	22 918	80 182	103 100

VALUATION ASSUMPTIONS

Investment properties	2021	2020	2020
	30 Jun	30 Jun	31 Dec
Weighted yield requirement, %	5,8	6,1	5,8
Average rent, EUR/sq.m./month	15,0	15,1	15,0
Average discount rate, %	7,2	7,4	7,2
Long-term inflation, %	1,5	2,0	1,5
Long-term vacancy rate, %	4,5	4,5	4,5

Long-term securities holdings	Segment	Valuation method ¹	Valuation assumptions ¹
East Capital Baltic Property Fund II	Other investments	DCF	WACC 7-9%, yield requirement 6-8%, Long-term growth 3.5%, long-term operating margin 8.3%, WACC 14,6%, minority and liquidity discount of 25% is applied.
JSC Melon Fashion Group	Other investments	DCF	

¹ Discounted cash flow model (DCF), weighted average cost of capital (WACC).

SENSITIVITY ANALYSIS

30 June 2021

Investment properties, EUR thousands	Assumptions	Properties in Lithuania		Properties in Latvia	
Market rental level, %	+/- 5.0	13 168	-13 146	7 449	-7 419
Long-term floor space occupancy rate, percentage points	+/- 1.0	3 493	-3 496	1 978	-1 986
Yield requirement, percentage points	+/- 0.25	-9 125	9 952	-5 180	5 619

30 June 2021

Long-term securities holdings, EUR thousands	Assumptions	Other investments			
		EC BPF II		MFG	
Yield requirement, percentage points	+/- 0.5	-1 442	1 646	-	-
Weighted average cost of capital, percentage points	+/- 0.5 EC BPF II +/- 1.0 MFG	-1 459	1 511	-7 162	8 596
Long-term growth, percentage points	+/- 0.4	-	-	2 038	-1 896
Long-term operating margin, percentage points	+/- 0.5	-	-	3 262	-3 261

Market risks, EUR thousands

Effect on profit/loss and equity		2021	2020			2021	2020
	Change, %	30 Jun	31 Dec	Cash flow and current earning		30 Jun	31 Dec
Currency rate, EUR/RUB	+/- 10	8 018	7 932	Market interest rate, +/- 50 bps		+86 / -86	+87 / -87
Value of EC BPF II and MFG	+/- 10	10 310	10 215	Market interest rate, +/- 100 bps		-151 / -171	-107 / -173

	2021	2020
Cash flow and current earning	30 Jun	31 Dec
Market interest rate, +/- 50 bps	+86 / -86	+87 / -87
Market interest rate, +/- 100 bps	-151 / -171	-107 / -173

Assets and debts of foreign currency, EUR thousands

Cash and liabilities	2021		2020	
	30 Jun	31 Dec	30 Jun	31 Dec
Currency in SEK	128	270		
Lease liabilities in SEK	416	468		

Long-term securities holdings ¹	2021		2020	
	30 Jun	31 Dec	30 Jun	31 Dec
Currency in rouble (RUB)	80 182	79 320		

¹ Holdings in JSC Melon Fashion Group.

INCOME STATEMENT - PARENT COMPANY

EUR thousands	2021 Jan-Jun	2020 Jan-Jun	2021 Apr-Jun	2020 Apr-Jun	2020 Jan-Dec	2020/2021 Jul-Jun
Other income	941	869	470	434	1 738	1 810
Central administration expenses	-1 917	-1 451	-862	-774	-3 104	-3 570
Operating profit/loss	-976	-582	-392	-340	-1 366	-1 760
Unrealised changes in value of investments	861	-18 406	-696	3 225	12 423	31 691
Dividend received from investments	3 266	-	3 266	-	-	3 266
Financial income	683	687	343	343	1 381	1 377
Financial expenses	-56	-21	-39	-16	-84	-119
Profit/loss before tax	3 778	-18 322	2 482	3 212	12 355	34 455
Tax	-	-	-	-	-	-
Net profit/loss for the period/year	3 778	-18 322	2 482	3 212	12 355	34 455

BALANCE SHEET - PARENT COMPANY

EUR thousands	2021 30 Jun	2020 31 Dec	2020 30 Jun
ASSETS			
Fixed assets			
Right-of-use asset, leaseholds	436	491	545
Equipment	61	70	79
Shares in group companies	146 487	142 447	142 433
Long-term securities holdings	80 182	79 320	48 491
Loans to group companies	27 527	27 527	27 527
Total non-current assets	254 694	249 856	219 075
Current assets			
Other current assets	2 221	1 398	2 127
Cash and cash equivalents	7 516	10 995	1 794
Total current assets	9 737	12 393	3 921
TOTAL ASSETS	264 431	262 248	222 996
EQUITY AND LIABILITIES			
Equity			
<i>Restricted capital</i>			
Share capital	3 660	3 660	3 660
<i>Unrestricted capital</i>			
Share premium reserve	251 459	257 848	252 252
Retained earnings including net profit/loss for the year	3 287	-491	-36 567
Total equity	258 407	261 017	219 345
Non-current liabilities			
Lease liability	416	468	519
Other non-current liabilities	164	113	43
Total non-current liabilities	580	581	562
Current liabilities			
Other liabilities	5 035	155	2 843
Accrued expenses and deferred income	410	496	246
Total current liabilities	5 445	651	3 089
TOTAL EQUITY AND LIABILITIES	264 431	262 248	222 996

QUARTERLY OVERVIEW

INCOME STATEMENT

EUR thousands	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019
Rental income	5 423	5 099	5 251	4 993	4 467	4 475	4 161	3 142
Property expenses	-497	-486	-267	-510	-480	-431	-410	-347
Net operating income	4 925	4 613	4 983	4 483	3 987	4 044	3 751	2 795
Central administration expenses	-936	-1 123	-834	-992	-865	-824	-1 184	-826
Interest expenses	-1 108	-1 014	-1 029	-959	-852	-863	-790	-498
Other financial income and expenses	-46	-22	-59	-14	-100	-95	-78	-101
Profit from property management	2 836	2 454	3 061	2 519	2 170	2 262	1 699	1 370
<i>Unrealised changes in values:</i>								
Properties	1 450	1 466	14 997	-198	5 322	-2 738	3 914	2 810
Derivatives	22	339	-109	-12	-426	-235	702	-311
Investments	-994	1 942	21 981	9 139	3 605	-21 283	11 918	1 782
Realised values and dividends from investments	3 906	-	640	-	-	-	2 588	22
Profit before tax	7 220	6 201	40 570	11 448	10 671	-21 994	20 821	5 673
Deferred tax	-1 076	-551	-3 066	-285	-931	-259	-1 246	-604
Net profit/loss for the period	6 144	5 649	37 504	11 163	9 740	-22 253	19 575	5 069

BALANCE SHEET - CONDENSED

EUR thousands	2021 30 Jun	2021 31 Mar	2020 31 Dec	2020 30 Sep	2020 30 Jun	2020 31 Mar	2019 31 Dec	2019 30 Sep
Investment properties	414 986	374 200	372 400	356 940	336 200	288 020	290 256	203 276
Long-term securities holdings	103 100	104 093	102 152	80 170	71 031	67 426	88 709	101 881
Other assets	4 340	4 151	3 395	8 541	13 077	3 831	3 951	2 595
Cash and cash equivalents	20 218	24 232	24 278	13 804	21 688	43 883	37 406	40 596
TOTAL ASSETS	542 644	506 677	502 225	459 456	441 996	403 160	420 322	348 348
Shareholders' equity	315 348	315 666	309 942	261 502	250 253	245 917	268 192	248 583
Long-term interest-bearing liabilities	192 829	151 832	153 208	168 568	159 338	137 907	132 571	81 628
Current interest-bearing liabilities	6 510	19 791	19 943	6 111	5 783	5 200	5 200	3 560
Other liabilities	27 957	19 387	19 131	23 275	26 622	14 136	14 359	14 577
TOTAL EQUITY AND LIABILITIES	542 644	506 677	502 225	459 456	441 996	403 160	420 322	348 348

QUARTERLY KEY FIGURES

PROPERTY-RELATED	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019
Leasable area, sq.m. thousand	130,7	120,2	121,0	121,1	113,9	99,5	99,5	74,5
Number of properties	12	10	10	11	10	9	9	6
Investment properties, EURk	414 986	374 200	372 400	356 940	336 200	288 020	290 256	203 276
Surplus ratio, %	91	90	95	90	89	90	90	89
Floor space occupancy rate, %	92,6	90,7	92,6	94,2	96,1	95,7	92,7	90,2
Average rent, EUR/sq.m./month	15,0	15,0	14,9	14,8	14,9	15,0	14,7	14,7
WAULT, years	3,8	4,2	4,4	4,6	4,7	4,9	5,0	3,0
Weighted yield requirement, %	5,8	5,8	5,8	6,1	6,1	6,1	-	-
Environmentally certified properties, % of sq.m.	88	87	87	79	84	72	72	75

FINANCIAL	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019
Rental income, EURk	5 423	5 099	5 251	4 993	4 467	4 475	4 161	3 142
Net operating income, EURk	4 925	4 613	4 983	4 483	3 987	4 044	3 751	2 795
Profit from property management, EURk	2 836	2 454	3 061	2 519	2 170	2 262	1 699	1 370
Loan-to-value ratio, %	38	36	36	40	41	40	36	28
Net loan-to-value ratio, %	35	31	31	37	35	28	26	15
Loan-to-value ratio, properties (LTV), %	48	46	46	49	49	50	47	42
Net loan-to-value ratio, properties (LTV), %	43	39	40	45	43	34	35	22
Capital tie-up period on Interest-bearing liabilities, year	3,0	2,7	3,0	3,2	3,1	3,3	3,5	4,0
Interest tie-up period on Interest-bearing liabilities, year	2,1	2,1	2,3	2,5	2,5	2,8	3,1	3,9
Debt ratio, multiple	13,2	12,0	12,4	14,1	15,2	15,0	17,1	13,0
Equity/asset ratio, %	58	62	62	57	57	61	64	71
Interest coverage ratio, multiple	3,6	3,4	4,0	3,6	3,5	3,6	3,2	3,8
Average interest rate, %	2,3	2,3	2,3	2,3	2,3	2,3	2,3	2,3
Return on equity, %	7,8	7,2	52,5	17,5	15,7	-34,6	30,3	8,2

SHARE-RELATED	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019
Equity, EURk	315 348	315 666	309 942	261 502	250 253	245 917	268 192	248 583
Long-term net asset value (LT-NAV), EURk	330 213	329 477	323 542	271 927	260 381	254 689	276 470	256 316
Market capitalisation, EURk	291 768	272 424	275 527	225 289	236 472	212 439	276 546	225 322
Market capitalisation, SEK thousand	2 959 115	2 790 782	2 768 633	2 364 465	2 474 440	2 309 477	2 905 881	2 415 223
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	22 149	22 149	22 149	21 149	21 149	21 149	21 149	21 149
Weighted average number of shares, adjusted for repurchased shares, thousand	22 149	22 149	21 627	21 149	21 149	21 149	21 187	21 200
Cashflow per share from operating activities, EUR	0,31	0,08	0,20	0,13	0,06	0,08	0,22	0,06
Cashflow per share, EUR	-0,18	0,00	0,49	-0,37	-1,05	0,31	-0,15	-0,10
Profit from property management per share, EUR	0,13	0,11	0,14	0,12	0,10	0,11	0,08	0,06
Earnings per share before dilution, EUR	0,28	0,26	1,73	0,53	0,46	-1,05	0,93	0,24
Earnings per share after dilution, EUR	0,28	0,25	1,73	0,53	0,46	-1,05	0,93	0,24
Dividend per share, EUR	0,08	-	0,30	-	-	-	0,26	-
Dividend per share, SEK	0,79	-	3,00	-	-	-	2,70	-
Equity per share, EUR	14,2	14,3	14,0	12,4	11,8	11,6	12,7	11,8
Equity per share, SEK	144	146	141	130	124	126	133	126
Long-term net asset value per share, EUR	14,9	14,9	14,6	12,9	12,3	12,0	13,1	12,1
Long-term net asset value per share, SEK	151	152	147	135	129	131	137	130
Share price, EUR	13,2	12,3	12,4	10,7	11,2	10,0	13,1	10,7
Share price, SEK	133,60	126,00	125,00	111,80	117,00	109,20	137,40	114,20

OTHER	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019
EUR/SEK	10,14	10,24	10,05	10,50	10,46	10,87	10,51	10,72
EUR/RUB	86,63	88,76	90,50	91,00	80,03	85,73	69,72	70,73

INTERPRETATION OF KEY FIGURES

	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019
Rental income	5 423	5 099	5 251	4 993	4 467	4 475	4 161	3 142
Net operating income	4 925	4 613	4 983	4 483	3 987	4 044	3 751	2 795
Surplus ratio, %	91	90	95	90	89	90	90	89
Investment properties and Long-term securities holdings	518 086	478 293	474 552	437 110	407 231	355 446	378 965	305 157
Interest-bearing liabilities	199 339	171 623	173 151	174 679	165 121	143 107	137 771	85 187
Loan-to-value ratio, %	38	36	36	40	41	40	36	28
Investment properties and Long-term securities holdings	518 086	478 293	474 552	437 110	407 231	355 446	378 965	305 157
Interest-bearing liabilities	199 339	171 623	173 151	174 679	165 121	143 107	137 771	85 187
Cash and cash equivalents	20 218	24 232	24 278	13 804	21 688	43 883	37 406	40 596
Net loan-to-value ratio, %	35	31	31	37	35	28	26	15
Investment properties	414 986	374 200	372 400	356 940	336 200	288 020	290 256	203 276
Interest-bearing liabilities	199 339	171 623	173 151	174 679	165 121	143 107	137 771	85 187
Loan-to-value ratio, properties (LTV), %	48	46	46	49	49	50	47	42
Investment properties	414 986	374 200	372 400	356 940	336 200	288 020	290 256	203 276
Interest-bearing liabilities	199 339	171 623	173 151	174 679	165 121	143 107	137 771	85 187
Cash and cash equivalents	20 218	24 232	24 278	13 804	21 688	43 883	37 406	40 596
Net loan-to-value ratio, properties (LTV), %	43	39	40	45	43	34	35	22
Equity	315 348	315 666	309 942	261 502	250 253	245 917	268 192	248 583
Add back derivatives	2 384	2 405	2 745	2 636	2 624	2 198	1 963	2 665
Add back deferred tax	12 482	11 406	10 855	7 789	7 504	6 574	6 315	5 069
Long-term net asset value, EURk	330 213	329 477	323 542	271 927	260 381	254 689	276 470	256 316
Net operating income	19 005	18 067	17 497	16 265	14 577	13 301	11 946	10 316
Central administration expenses	-3 885	-3 815	-3 515	-3 865	-3 699	-3 770	-3 873	-3 744
Total	15 119	14 252	13 982	12 400	10 878	9 531	8 074	6 572
Interest-bearing liabilities	199 339	171 623	173 151	174 679	165 121	143 107	137 771	85 187
Debt ratio, multiple	13,2	12,0	12,4	14,1	15,2	15,0	17,1	13,0
Profit from property management	2 836	2 454	3 061	2 519	2 170	2 262	1 699	1 370
Interest expenses	1 108	1 014	1 029	959	852	863	790	498
Profit before interest expenses	3 943	3 468	4 090	3 478	3 022	3 125	2 489	1 868
Interest coverage ratio, multiple	3,6	3,4	4,0	3,6	3,5	3,6	3,2	3,8
Net profit, annualised	24 576	22 598	150 016	44 652	38 960	-89 012	78 302	20 277
Average equity	315 507	312 804	285 722	255 877	248 085	257 055	258 388	246 031
Return on equity, %	7,8	7,2	52,5	17,5	15,7	-34,6	30,3	8,2

Definitions and glossary

Eastnine applies European Securities and Markets Authority (ESMA) guidelines on alternative performance measures. According to these guidelines, an alternative performance measure is a financial metric of historical or future earnings performance, financial position, financial results or cash flows, which is not defined or stated in applicable rules for financial reporting (IFRS and the Swedish Annual Accounts Act).

PROPERTY-RELATED KEY FIGURES

Average rental income

Average rent at the end of the period.

Lettable area

Total area available for letting.

Net letting

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

Net operating income

Rental income less property expenses.

Occupancy rate, by area

Occupancy rate in relation to lettable area.

Occupancy rate, financial

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.

Profit from property management

Earnings before value changes, dividends received and taxes.

Rental income

Debited rents, rental accruals, and rental guarantees less rental discounts.

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 rent

Lease agreements 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, earning capacity

Net operating income in relation to the book values of the properties, excluding development 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 property, and future vacancy risk.

FINANCIAL KEY FIGURES

Average capital tie-up period

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

Average fixed interest term

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

Average interest rate

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

Cash flow per share

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

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.

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 central administration expenses.

EBITDA

Earnings before interest, tax, depreciation and amortisation.

Equity/asset ratio

Equity in relation to total assets.

Interest coverage ratio

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

Loan-to-value ratio

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

Loan-to-value ratio (LTV), properties

Interest-bearing liabilities in relation to the value of investment properties.

Net loan-to-value ratio

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

Net loan-to-value ratio (LTV), properties

Interest-bearing liabilities after deduction for cash, in relation to the value of investment properties.

Return on equity

Net profit/loss for the period, recalculated on a 12-month basis, in relation to average equity.

Return on equity, Real Estate Direct

Net profit/loss for the quarter, recalculated on a 12-month basis, in the Real Estate Direct segment as a per cent of average equity attributable to the segment.

SHARE-RELATED KEY FIGURES**Earnings per share**

Earnings for the period attributable to equity holders of the Parent Company in relation to the average number of shares issued (excluding repurchased shares held in treasury).

Equity

Total equity.

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 usually refers to a right on the part of the tenant to terminate a lease without additional rent payments.

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 leases

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

GRESB

Short 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

Short 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 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 NAV the shares are traded at a NAV discount; if market cap is higher, shares are traded at a premium.

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.

Zero-interest floor

Clause in credit agreements meaning that a negative Euribor interest rate is considered as zero.

Financial calendar

Interim report January – September 2021:	10 November 2021
Year-end report 2021:	11 February 2022

Payments of shareholder dividends:

Dividend record date	17 August 2021
Expected date of payment	20 August 2021
Dividend record date	16 November 2021
Expected date of payment	19 November 2021
Dividend record date	1 February 2022
Expected date of payment	4 February 2022

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The information in this interim report is the information which Eastnine AB is required to disclose under the EU Market Abuse Regulation Act and the Securities Market Act. The report was released for publication at 07.00 a.m. CEST on 14 July 2021.

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A large, colorful, 3D sign reading "DC VALLEY" is mounted on the side of a modern building. The letters are in various colors: D (blue), C (white), V (yellow), A (green), L (light blue), L (pink), E (red), and Y (purple). The building has a glass facade and a series of horizontal metal slats at the base.