

Company EfTEN Real Estate Fund AS
Type Company Release
Category Other corporate action
Disclosure time 10 Jan 2020 16:10:00 +0200

Currency

Title EfTEN Real Estate Fund III AS Net Asset Value per share as of 31.12.2019

EfTEN Real Estate Fund III AS earned 947 thousand euros sales revenue in December, which is 21% more than a month earlier. Higher rent was related to the extraordinary high annual turnover rent at Saules Miestas Shopping Center in Lithuania. The performance of Saules Miestas during 2019 has exceeded management expectations, which is particularly gratifying given that Saules Miestas is still the Fund's largest and also the first investment. The yearly turnover of Saules Miestas tenants grew in year 2019 by 11,5%, reaching 42,3 million euros, compared with year earlier results.

The total EBITDA of the Fund in December was 228 thousand euros (in November: 648 thousand euros).

In December, EBITDA included a management company's success fee of 479 thousand euros, calculated on the basis of a management contract between closing prices of the last trading days of the last two years of the stock exchange, which is corrected by the minimum hurdle rate (10%) and the impact of dividend payments. The Management Company's performance fee is 20% of the price increases of the last trading days, calculated as described previously.

An independent property appraiser of the fund, Colliers International, carried out it's usual (performed twice a year) investment property valuation in December, resulting in a 1.5% (EUR 1 642 thousand euros) increase in the value of the Fund's real estate portfolio. As a result of the revaluation profit, the Fund's Net Profit was also higher than usual, amounting to 1 600 thousand euros (in November, the Fund's Net Profit was 512 thousand euros).

During the 12 months 2019, EfTEN Real Estate Fund III has, based on unaudited results, earned 9.5 million euros (2018: 8.7 MEUR) of sales revenue and 7 million euros (2018: 6.7 MEUR) of EBITDA.

The Net Profit of the Fund for the 12 months of 2019 is 7.7 million euros (2018: 6.3 MEUR). The higher Net Profit was as a result of an increased value of investment properties portfolio, which totaled EUR 3.1 million in 2019 and EUR



1.6 million in 2018.

Based on the Fund's dividend policy, which stipulates that a minimum of 80% of the free cash flow will be paid to shareholders, the Fund could pay a dividend of MEUR 2.6. At the same time, the free cash flow from investment properties allows the Fund to pay more dividends the Fund's Management Board will propose to the Council to pay dividends of EUR 3.4 million (82 cents per share) in spring 2020.

As of 31.12.2019, the consolidated assets of EfTEN Real Estate Fund III amounted to 132.8 million euros (31.12.2018: 108.5 million euros) and equity to 71.2 million euros (31.12.2018: 50.5 million euros).

As of 31.12.2019, EfTEN Real Estate Fund III AS NAV was EUR 16.85 and EPRA NAV EUR 17.93. Both NAV and EPRA NAV grew by 2,3% in December.

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