

Company EfTEN Real Estate Fund AS  
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Currency

Title Net asset value of EfTEN Real Estate Fund III AS as of 30.09.2020

The net asset value (NAV) of EfTEN Real Estate Fund III AS as of 30.09.2020 was 16.38 euros, increasing by 1% in September. The net asset value of the EPRA share (net book value excluding deferred income tax liability and fair value of interest rate derivatives) as of 30.09.2020 was 17.46 euros. EPRA NAV also increased by 1% during September.

In September, EfTEN Real Estate Fund III AS earned the highest sales revenue in the fund's history in the amount of 1,019 thousand euros (69 thousand euros more than a month earlier), including the first full month's rent of the ATEA office building acquired in August and the usual rental income from the rest of the investment property portfolio after temporary discounts due to the Covid-19 effect. The fund's consolidated EBITDA in September was also the highest in history - 842 thousand euros (75 thousand euros more than in August). As the total capital raised by the fund has been earning full rental income since September, it is important to note that the September net operating income (NOI) totaled 974 thousand euros, which would make a total of 11,688 thousand euros on an annual basis. Considering the fair value of the fund's investment properties in the amount of 137,354 thousand euros, this would make the actual return on property investments 8.5% (actual NOI / fair value of investment properties).

In the first 9 months of this year, EfTEN Real Estate Fund III AS has earned a total of 7.2 million euros in rental income, which is 26% more than in the same period last year. The fund's consolidated EBITDA is also 26% higher than last year (a total of 6.1 MEUR). Adjusted cash flow (EBITDA minus interest expense minus principal payments on loans) has been 2.8 MEUR this year, compared to 2.3 MEUR in 9 months last year. This year, the fund has repaid scheduled loan principle payments on bank loans in the total amount of 2.4 million euros (9 months last year: 1.8 million euros), the fund's LTV is 51% and the weighted average interest rate on loan liabilities is 2.2%. As of 30.09.2020, the consolidated cash balance of the fund was 4.3 million euros.

At the beginning of October, UAB "Saules Miestas", a subsidiary of EfTEN Real Estate Fund III AS, entered into a construction agreement with "?ZhVALGA" UAB for



the construction of a KFC restaurant building on the company's property. The cost of the construction contract is 603 thousand euros and the deadline for completion of the construction works is May next year. Earlier (03.12.2019), the fund has informed the stock exchange that a lease agreement has been signed with APL FRESH FOOD UAB, which operates under the KFC franchise of the fast food restaurant chain and leases 100% of the building under construction. The KFC restaurant building is scheduled to open in June 2021 at the latest.

As of 30.09.2020, the consolidated assets of EftEN Real Estate Fund III AS amounted to 142.9 million euros (31.12.2019: 132.8 million euros) and equity to 69.17 million euros (31.12.2019: 71.17 million euros).

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