

Company EfTEN United Property Fund / EFTEN Capital AS

Type Company Release

Category Issue of new shares

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Title Cancellation of public offering of 40,000 units of EfTEN United Property Fund and results of

On 10.08.2022, EfTEN Capital AS, as the management company of the EfTEN United Property Fund, decided to cancel the offer of 40,000 units in the following interim periods: September, October, November and December.

On 09.05.2022 EfTEN Capital AS announced the public offering (<https://view.news.eu.nasdaq.com/view?id=b97991af7bfcd1165ef4d847b76596d56&lang=en>) of the EfTEN United Property Fund (short name of the security EFCUPFFT, ISIN code EE3500001609) units. It was planned to issue a total of 500,000 EfTEN United Property Fund units during five interim periods (May, September, October, November and December 2022) and to raise funds in the amount of 5.3 million euros for investment activities. In the first interim period (09.05.2022 - 20.05.2022) the volume of offered units was up to 460,000 units, and in case of oversubscription, the management company had the right to upsize the issue by 300,000 fund units.

In the first interim period 09.05.2022 - 20.05.2022, the offered units were oversubscribed by 2,65 times and the fund management company used the right to upsize the offer by an additional 200,000 fund units. Thus, a total of 660,000 offered units were issued in the first interim period, and a total of 7 million euros were raised.

For the time being, the funds raised in May 2022 are largely uninvested, and the amount of uninvested capital in the fund exceeds 1/3 of the fund's equity capital.

"The rise in interest rates and the deterioration of the business climate have not yet had a noticeable impact on the commercial real estate market in the Baltics. Real estate sellers still want to make transactions at price levels comparable to the beginning of the year. Therefore, it is likely that the share of uninvested capital in the fund will remain relatively large over the coming months as well. In such environment it is not in the best interest of the fund and investors to raise additional funds in the following interim periods," commented Kristjan Tamla, head of retail business at EfTEN Capital AS.



Considering the above, the final number of the issued units in the public offering as announced on 09.05.2022 is 660,000 fund units, which, together with the previously issued 1,823,860 fund units, (i.e. a total of 2,483,860 units) have been listed on the Nasdaq Tallinn Stock Exchange at the Baltic Fund list since May 31, 2022.

At the turn of the year, the ETEN Capital AS plans to publish the outlook of the Baltic real estate market and, based on this, decides on raising capital in the funds it manages.

Kristjan Tamla

Head of Retail

Phone 655 9515

E-mail: kristjan.tamla@eften.ee (mailto:kristjan.tamla@eften.ee)

