

## Key Information Document

### PURPOSE

This document provides you with key information about the EfTEN Real Estate Fund AS (hereinafter the Fund). It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

#### Product

**EfTEN Real Estate Fund AS share (ISIN: EE3100127242)**

**Manufacturer/management company:** EfTEN Capital AS; registry code 11505542

**Contact:** [www.efTEN.ee](http://www.efTEN.ee); phone +372 655 9515; e-mail: info@efTEN.ee

**Regulator:** Estonian Financial Supervisory Authority; [www.fi.ee](http://www.fi.ee)

**Date:** 26.02.2024

You are about to purchase a complex investment product which can be difficult to understand.

#### What is this product?

<b>Type:</b>	The Fund is a public closed-end investment fund (alternative investment fund) established as a joint-stock company in the Republic of Estonia. The Fund's shares are listed on the main list of the Nasdaq Tallinn stock exchange and are freely transferable. The Fund is not a guaranteed fund. The Fund has one type of shares with a nominal value of 10 euros per share. The Fund does not redeem shares upon the request of shareholders. The Fund is managed by EfTEN Capital AS, established in Estonia with an alternative fund management license issued by the Financial Supervisory Authority. The fund has a depository (AS Swedbank).
<b>Objectives:</b>	The Fund is a real estate fund which offers shareholders the opportunity to participate in an actively managed commercial real estate portfolio. The Fund invests in cash flow generating commercial real estate objects (retail, office, logistics, hotels, nursing homes), including development projects. The Fund can invest 80% directly in real estate or acquire shares in legal entities that own real estate. The remaining 20% can only be invested in deposits or derivative instruments of credit institutions of the European Economic Area. The geographical target markets of the Fund are Estonia, Latvia and Lithuania. When making real estate investments, the Fund uses financial leverage up to 65% of the acquisition cost of the respective object at the time of making the investment. The Fund focuses on opportunistic and value-added investment strategy. Sustainability related disclosure can be found at: <a href="https://efTEN.ee/en/about-efTEN/sustainability/">https://efTEN.ee/en/about-efTEN/sustainability/</a>
<b>Target market:</b>	The fund is suitable for both professional and non-professional investors who want to make long-term, medium-risk passive investments in real estate. An investor with no prior experience investing in equities and/or closed-end alternative investment funds should consult a professional investment advisor.
<b>Term:</b>	The Fund has no maturity date. Liquidation of the Fund is decided by the Management Company's board decision, taking into account the requirements stipulated in the legislation. In order to liquidate the fund, a liquidation permit from the Financial Supervision Authority is required.

#### What are the risks and what can I get for return?

##### Risk indicator

1	2	3	4	5	6	7
←Low risk			Higher risk→			

The risk indicator assumes you keep the product for 5 years. The actual risk can vary significantly if you cash in at an early stage as you may get back less. You may not be able to sell your product easily or you may have to sell at a price that significantly impacts on how much you get back.

The summary risk indicator provides an indication on the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets. We have classified the product as 3 out of 7, i.e. a medium or below medium risk class. This means that Fund shares have a medium risk of ups and downs in the value and are not risk free. Even the lowest summary risk indicator does not correspond to a risk-free investment. The Fund invests in the real estate market of the Baltic States. As a result, the Management Company estimates the risks related to fluctuations in real estate prices and the risks related to the liquidity of investments as well as the tenant behaviour in the region higher than usual. The product does not contain any protection against future market results. You may therefore lose all or part of your investment. Past performance may not be adequate for future summary risk indicator. Fund risk class may change over time.

#### Performance scenarios

Investment EUR 10 000		Investment realisation		
		1 year	3 years	5 years
Stress scenario	What you might get back after costs	125	175	17
	Average return each year	-98,8%	-74,0%	-55,3%
Unfavourable scenario	What you might get back after costs	9 955	9 779	9 538
	Average return each year	-0,5%	-0,7%	-0,9%
Moderate scenario	What you might get back after costs	10 904	12 911	16 874
	Average return each year	9,0%	8,9%	8,9%
Favourable scenario	What you might get back after costs	11 361	13 922	16 874
	Average return each year	13,6%	11,7%	11,0%

This table shows the money you could get back over the next 5 years, under different scenarios, assuming that you invest EUR 10 000. The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you. The scenarios presented are estimates of future returns based on past evidence of how the value of the investment has varied and are not accurate indicators or promises of actual returns, and future returns may vary widely. The amount you receive will vary depending on market performance and how long you hold the product. The shares are freely tradable, but there is no guarantee that the shares will be actively traded on the Nasdaq Tallinn stock exchange or traded at a price close to the net value of the shares. The price of Fund shares may fluctuate more on the regulated market than could be expected based only on the aggregate risk indicator. The figures shown include all costs of the product itself, but may not include all costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

#### What happens if EfTEN Capital is unable to pay out?

The management company manages the assets of the Fund separately from the management company's own assets, the assets of other funds as managed by the fund management company as well as other asset portfolios. The assets of the Fund are not part of the management company's bankruptcy assets. In case of bankruptcy of the management company, the depository takes over the management of the Fund. The Fund's assets are not guaranteed by national or central guarantee schemes.

#### What are the Costs?

<b>Costs over time</b>	The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the product itself, for three different holding periods. The figures assume you invest EUR 10 000. The figures are estimates and may change in the future. The person
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	selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.			
	<b>Investment EUR 10 000 Scenarios</b>	<b>If you cash in after 1 year</b>	<b>If you cash in after 3 years</b>	<b>If you cash in after 5 years</b>
	Total costs (EUR)	153	553	1 106
	Impact in return (RIY) per year	1,39%	4,11%	6,75%
<b>Composition of costs</b>	<p>The Fund is a closed-ended fund that does not redeem the shares upon the request of investors.</p> <p>The table below shows:</p> <ul style="list-style-type: none"> <li>– the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period;</li> <li>– the meaning of the different cost categories.</li> </ul>			
	<b>One-off costs</b>	<b>Entry costs</b>	0,00%	The impact of the costs you pay when entering your investment.
		<b>Exit costs</b>	0,00%	The impact of the costs of exiting your investment when it matures.
	<b>Ongoing costs</b>	<b>Portfolio transaction costs</b>	0,05%	The impact of the costs of us buying and selling underlying investment for the product.
		<b>Other ongoing costs</b>	1,13%	The impact of the costs that we take each year for managing your investments.
	<b>Incidental costs</b>	<b>Performance fees</b>	20,00%	The impact of the performance fee. The Fund's performance fee is calculated on the adjusted closing price of the last trading day of the reporting year and the adjusted closing price of the last trading day of the previous reporting year, multiplied by the number of shares at the end of the reporting period. A more comprehensive overview of fees can be found in the Fund's statutes at <a href="http://www.eref.ee">www.eref.ee</a>
		<b>Carried interest</b>	0,00%	The impact of the carried interest. The fund does not have a carried interest.
<b>How long should I hold it and can I take money out earlier?</b>				
<p><b>Recommended holding period:</b> The Fund has no minimum holding period, but since the value of real estate investments can fluctuate significantly in the short term, the Fund is suitable for investors with an average or longer than average investment horizon.</p> <p><b>Disinvestment procedure:</b> The Fund is a closed-ended fund that does not redeem the shares upon the request of investors. The Fund shares are freely transferable. The transfer of shares is an individual decision of each investor, which, depending on the timing, can have a significant impact on the return of a particular investor's investment. The expropriation transaction may be accompanied by costs and fees determined by the intermediary of the transaction.</p>				
<b>How can I complain?</b>				
If you wish to make a complaint you can mail at A. Lauteri tn 5, 10114 Tallinn, Estonia or email at <a href="mailto:info@eften.ee">info@eften.ee</a>				
<b>Other relevant information</b>				
The Fund's articles of association, other relevant information and reports can be found free of charge at <a href="http://www.eref.ee">www.eref.ee</a>				