Genius at work

Based on running yield, occupancy rate, and dividend yield, EfTEN might be the best real estate company in the Nordic-Baltic region. Profitable divestments lead to Q2/26 revenue and profits below estimates, but this will be more than offset on a full-year basis with the recent acquisition. We raise our estimates and Base case Fair value.

Probably the best real estate play in Nordics/Baltics

EfTEN's running yield of 8.0% is the highest among 14 peers (mainly Swedish) while its economic occupancy rate of 97.9% is second only to Intea. Despite these top key metrics, EfTEN is trading at a 2026E dividend yield of 6.2%, second highest in the peer group.

Deals net positive

In H1/26, two properties (logistics, office) were sold and one bought (retail). The annual rent of the exited properties was EUR 1.2m vs. the acquired property's rent of EUR 2.4m for a net positive effect of EUR 1.3m or 4% of 2025 rent income. Due to a few months gap between divestments and acquisition, the Q2/26 Revenue and Operating profit were around 5% below estimates.

Sustainable +6% yield

We raise our 2026-28 dividend estimate by EUR 1c/shr. each year, indicating a yield above 6%. This year would mark the ninth consecutive year of dividends. Our Base case Fair value is EUR 22.79/shr. (prev. 22.69), implying 16% upside.

Key figures (MEUR)

	2024	2025	2026E	2027E	2028E
Net sales	31.1	32.0	34.3	35.4	35.9
Net sales growth	1.5%	3.0%	7.3%	3.0%	1.4%
EBITDA	26.5	26.8	28.3	28.8	29.2
EBITDA margin	85.1%	83.7%	82.3%	81.4%	81.4%
EBIT	26.4	26.8	28.2	28.8	29.2
EBIT margin	84.8%	83.6%	82.2%	81.3%	81.3%
EV/Sales	10.8	11.2	10.6	10.3	10.3
EV/EBITDA	12.7	13.4	12.9	12.7	12.6
EV/EBIT	12.7	13.4	12.9	12.7	12.6
P/E adj.	15.1	18.0	12.4	12.4	12.3
P/BV	0.9	0.9	1.0	0.9	0.9
EPS	1.25	1.06	1.59	1.58	1.60
EPS growth	1256.40%	-15.32%	50.16%	-0.68%	1.24%
Div. per share	1.11	1.20	1.21	1.22	1.23
Dividend yield	5.86%	6.27%	6.16%	6.19%	6.25%

Source: Company data, Enlight Research estimates

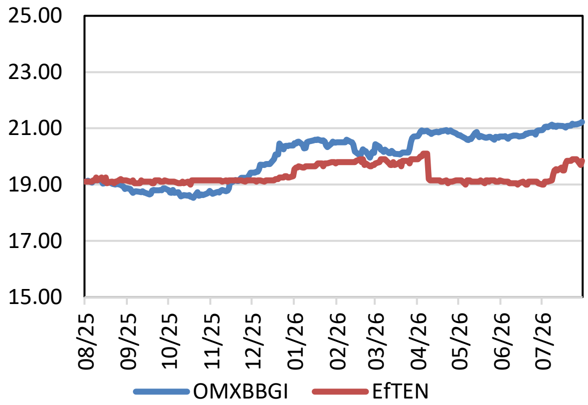
Fair value range (EUR)

Bull (P/BV 1.2x)	24.86
Base (P/BV 1.1x)	22.79
Bear (P/BV 1.0x)	20.72

Key Data

Price (EUR)	19.65
Ticker	EFT1T
Country	Estonia
Listed	Tallinn
Market Cap (EURm)	227
Net debt (EURm)*	136
Shares (m)	11.5
Free float	80 %

*End of current forecast year estimate



Price range

52-week high	20.10
52-week low	19.00

Analyst

ResearchTeam@enlightresearch.net

Coverage frequency

2x per year

Key takeaways

Divestments temporarily affect revenue and profit

The Q2/26 Rental income increased 4.4% y/y to EUR 8.2m, which was 5.7% or EUR 0.5m below our forecast of EUR 8.7m (we had estimated 10.7% y/y growth). This was mainly due to the divestments. The DSV logistics centre in Riga and the Menulio 11 office building in Vilnius were divested in March (3 months Q2 negative effect) and April (2 months Q2 negative effect), respectively. Meanwhile, the Magistral shopping centre in Tallinn was acquired only on 1 June (1 month Q2 positive effect). On a full-year basis, we expect the newly acquired Magistral shopping centre to generate roughly twice the rental income compared to the two divested properties (see next key takeaway). The Q2/26 Operating profit of EUR 7.0m was 5.5% or EUR 0.4m below est. EUR 7.4m, which means the Operating margin was roughly in-line (82.1% vs. est. 82.6%). The Q2/26 Pre-tax Profit was 14% or EUR 0.9m below forecast as financial expenses were EUR 0.5m higher than forecast due to a change in the Fair value of interest rate swaps (the interest expenses were in-line). The negative Pre-tax Profit deviation was offset by EUR 0.5m lower than estimated tax, which means the Q2/26 Net profit was slightly below at EUR 4.0m vs. estimated EUR 4.3m. We raise our Revenue estimates by 2-3% in 2026-28, while our EPS is raised by around 6% for this year and by 3-4% for 2027-28. Our dividend forecast is raised by EUR 1c each year 2026-28 indicating a yield of 6.2-6.3%.

Deviation for Group Income statement	Estimate Q2/26	Outcome Q2/26	Diff EURm	Diff % or %-pts
Rental income	8.7	8.2	-0.5	-5.7%
Other sales revenue	0.3	0.3	0.1	20.4%
Total income	**9.0**	**8.5**	**-0.5**	**-5.0%**
Cost of services sold	-0.4	-0.3	0.1	-19.3%
Gross profit	**8.6**	**8.2**	**-0.4**	**-4.4%**
SG & A	-1.2	-1.3	-0.1	nm
Profit/loss fair value investment property	0.0	-0.1	-0.1	nm
Other operating income/expense	0.0	0.1	0.1	nm
Operating profit	**7.4**	**7.0**	**-0.4**	**-5.5%**
Profit/loss from joint ventures	0.0	0.0	0.0	nm
Loss on sale of subsidiary	0.0	0.0	0.0	nm
Interest income	0.0	0.1	0.1	nm
Other finance income and expense	-1.3	-1.8	-0.5	41.3%
Financial net	*-1.3*	*-1.8*	*-0.5*	35.1%
Profit before income tax	**6.1**	**5.2**	**-0.9**	**-14.2%**
Income tax expense	*-1.8*	-1.3	*0.5*	-28.8%
Net profit	**4.3**	**4.0**	**-0.4**	**-8.3%**

Growth	Estimate Q2/26	Outcome Q2/26	Diff EURm	Diff % or %-pts
Rental income - y-on-y	10.7%	4.4%	na	-6.4
Total income - y-on-y	9.6%	4.1%	na	-5.5

Margins	Estimate Q2/26	Outcome Q2/26	Diff EURm	Diff % or %-pts
Gross profit margin	95.6%	96.2%	na	0.7
Operating margin	82.6%	82.1%	na	-0.4
Pre-tax profit margin	68.0%	61.4%	na	-6.6
Net profit margin	48.3%	46.7%	na	-1.7

Source: Company reports

Deals net positive

EfTEN reshaped its portfolio during the first half of 2026, exiting two properties and adding one. The DSV logistics centre in Riga was divested on 3 March (owned since 2016, realised IRR of c. 10%) and the Menulio 11 office building in Vilnius on 24 April. Combined, the two assets carried annual rent of EUR 1.2m and were sold for EUR 13.7m, which was EUR 1.1m above carrying value (EUR 0.5m for DSV and EUR 0.6m for Menulio 11). On 1 June, EfTEN acquired the Magistral shopping centre in Tallinn for EUR 31.7m with an expected long-term net yield of 8.1%. In Q2/26, this acquisition contributed only EUR 0.2m (1 month) of rental income, so the full effect is visible from Q3/26. The Menulio 11 office was only 53.3% occupied at exit, whereas Magistral was 98.6% let with 72 tenants when bought (management notes that leases have since been signed for the remaining premises). Low-occupancy office exposure has thus been replaced by an almost fully let retail asset, and group vacancy fell to 2.4% in Q2/26, the lowest level in three years. The annual rent effect is clearly positive: Magistral adds EUR 2.4m of annual rent against EUR 1.2m divested (net positive effect EUR 1.3m or 4% of 2025 rental income). In short, EfTEN sold above book value, upgraded portfolio occupancy and increased annual rent at the same time.

Deal table 2026

Sold

Exit date (not in books)	Object	Occupancy	Annual rent (EURm)	Deal value (EURm)	Deal value diff. vs. BS
2026-03-03	DSV logistics center, Riga	100.0%	0.780	5.600	0.500
2026-04-24	Menulio 11 office building, Vilnius	53.3%	0.381	8.129	0.600
Total			**1.161**	**13.729**	**1.100**

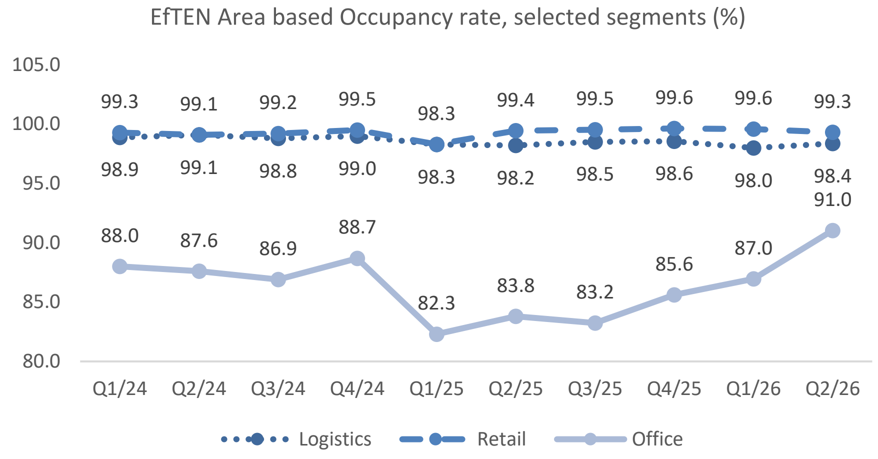
Bought

Entry date (in books)	Object	Occupancy	Annual rent (EURm)	Deal value (EURm)	Deal value diff. vs. BS
2026-06-01	Magistral Kaubanduskeskuse OU	98.6%	2.419	31.690	nm
Net effect			**1.258**	**17.961**	

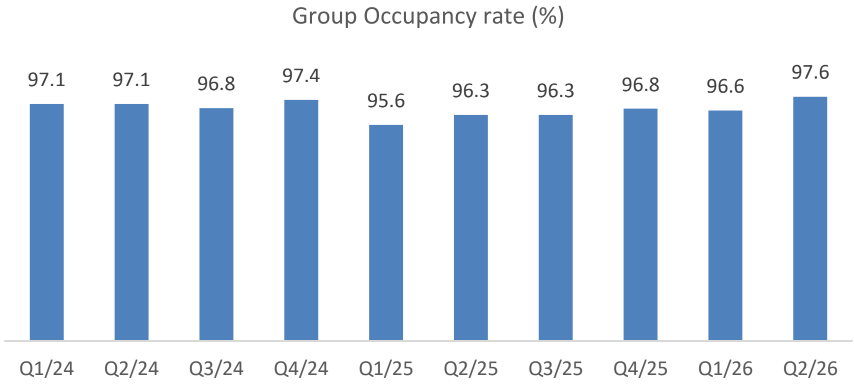
Source: Company reports and Press releases

Occupancy rate greatly improved

EfTEN's group occupancy rate has been in a clear upward trend, improving from the trough of 95.6% in Q1/25 to 97.6% in Q2/26. This is the highest level since the merger with EfTEN RE Fund III in 2023. The improvement is driven almost entirely by the office segment, where occupancy has rebounded from a Q1/25 low of 82.3% to 91.0% in Q2/26 (+8.7 pp) as the low-occupancy property Menulio (53.3% occupancy) was divested and Pärnu mnt 102 office occupancy improved from 58.2% to 84.7% over the same period. Furthermore, the occupancy in the Jurkalne logistics park has improved from 93.7% in Q1/26 to 96.2% at the end of Q2/26 (+2.5 pp). Worth noting is that the occupancy for other segments (logistics, retail, care homes, government) has remained high (>98%) throughout the economic downturn. We expect the positive trend to continue and forecast group occupancy to reach 98.1% in 2028E. We believe EfTEN's relatively high occupancy compared to other Nordic and Baltic peers is a sign of its high-quality portfolio and tenants. With that said, airBaltic, which is currently looking for financing, is renting EfTEN's office property next to Riga airport. The annual rent from airBaltic is EUR 0.6m, which corresponds to 1.8% of our estimated 2026 rental income of EUR 33.2m, i.e., the effect of an airBaltic bankruptcy could be contained (there are also other tenants on the property).



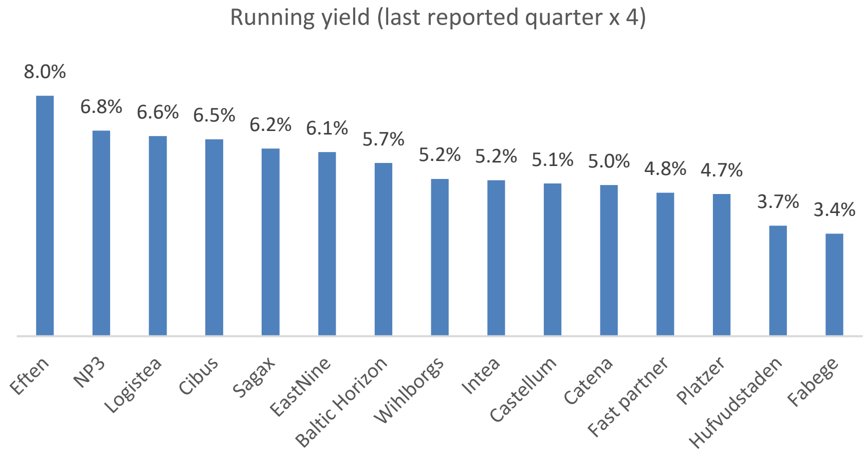
Source: Company reports



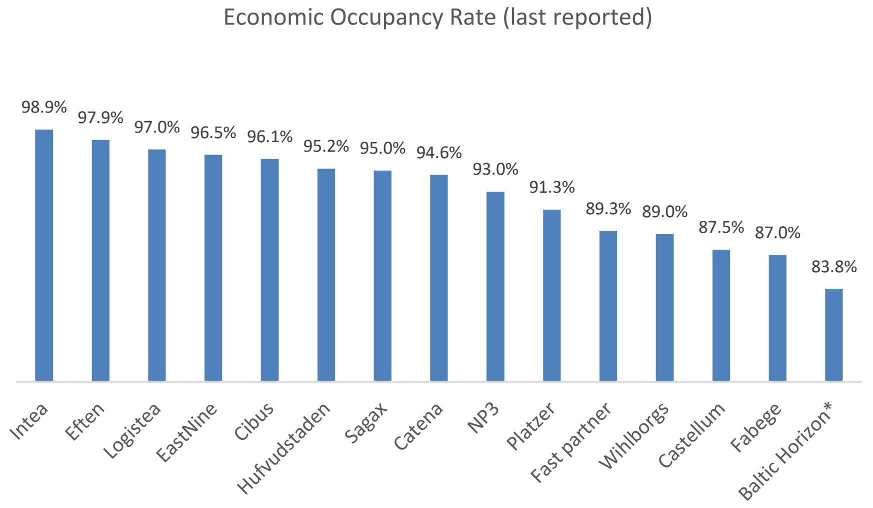
Source: Company reports

Probably the best real estate company in Nordic-Baltic region

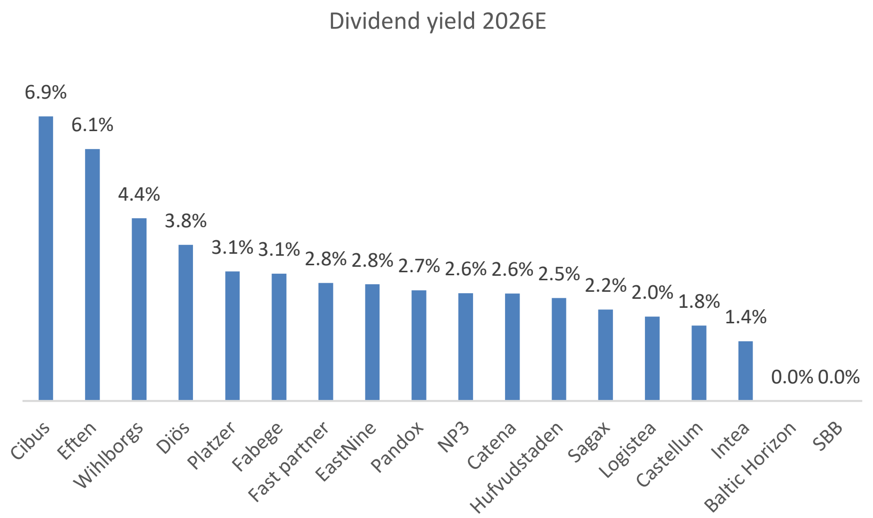
Based on Running yield (NOI/property value), Economic occupancy rate (reported rent/potential maximum rent), and Dividend yield, EfTEN might be the best real estate company in the Nordic-Baltic region. EfTEN's Running yield of 8.0% is the highest among Nordic-Baltic peers while its Economic occupancy rate of 97.9% is second-highest. Despite excelling at these key metrics, the estimated 2026 dividend yield is 6.2% (second-highest in the peer group).



Source: Company reports



Source: Company reports
*Occupancy rate based on m2



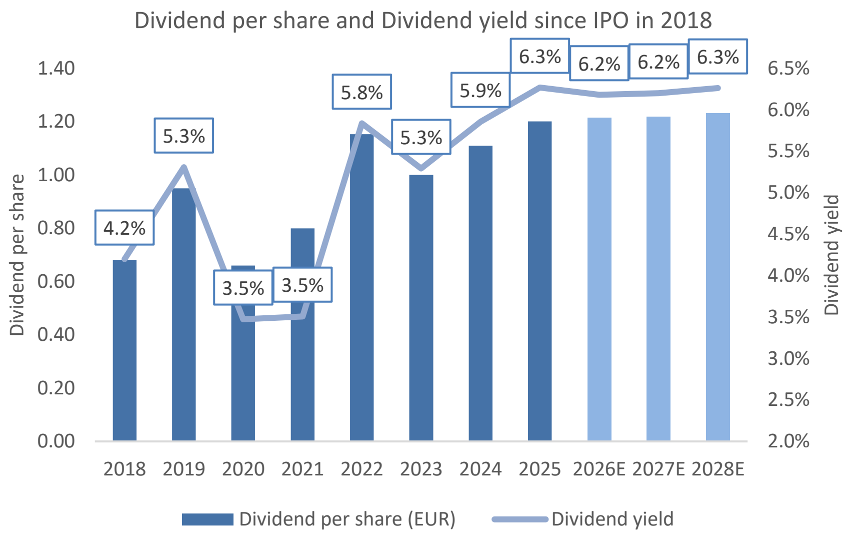
Source: MarketScreener.com, Enlight Research (EfTEN, Baltic Horizon)

Yield estimated to stay above 6% in 2026-28

We forecast the 2025 dividend of EUR 1.20/shr. to increase EUR 1c this year to EUR 1.21/shr. indicating a yield of 6.2%. We expect a further EUR 1c dividend increase in 2027 to EUR 1.22/shr. and 2028 to EUR 1.23/shr. corresponding to a yield of 6.2% and 6.3%, respectively. Our dividend forecast assumes continued cash flow from re-financing (see “Potential incremental cash flow” in below table). EfTEN can refinance loans where the loan-to-value (LTV) is below management’s targets and where operating cash flows exceed loan principal and interest payments by more than two times. Unlike most real estate companies, EfTEN amortizes its loans resulting in a constant decrease in LTV (all else equal). This provided EUR 6.3m in incremental cash flow in 2024 and EUR 3.7m in incremental cash flow in 2025. We expect EUR 3.5m in incremental cash flow in 2026. The forecast 2026 dividend would be the ninth consecutive year of dividends. Worth noting is that EfTEN paid dividends throughout the pandemic as well as the current economic downturn.

Dividend yield calculation (EURm)	2023	2024	2025	2026E	2027E	2028E
Adj. Free cash flow for Dividend calculation	**11.3**	**11.1**	**13.1**	**14.5**	**15.1**	**15.1**
80% of free cash flow	9.1	8.9	10.5	11.6	12.1	12.1
Gross dividend adj.	1.1	0.0	2.3	1.3	1.3	1.3
Dividend tax expense	-1.2	-1.3	-1.8	-1.6	-1.6	-1.6
Potential net dividend according to policy	**8.9**	**7.6**	**10.9**	**11.3**	**11.8**	**11.8**
Potential incremental cash flow	2.2	6.3	3.7	3.5	2.9	3.1
Income tax on incremental cash flow	-0.3	-1.3	-0.8	-0.8	-0.6	-0.7
Potential net dividend w/ incremental cash flow	**10.8**	**12.6**	**13.8**	**14.0**	**14.0**	**14.2**
Shares end of period (m)	10.8	11.4	11.5	11.5	11.5	11.5
Potential net dividend per share	**1.00**	**1.10**	**1.20**	**1.21**	**1.22**	**1.23**
Share price (EUR)	18.90	19.65	19.65	19.65	19.65	19.65
Dividend yield	5.3%	5.6%	6.1%	6.2%	6.2%	6.3%

Source: EfTEN (historic), Enlight Research (estimates)



Source: Company reports (historical), Enlight Research (estimates)

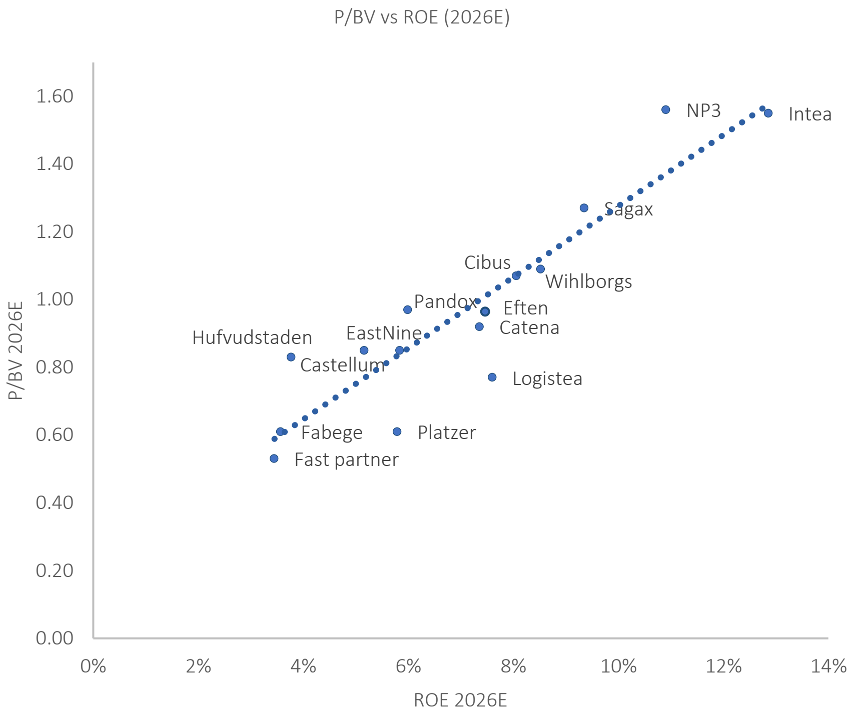
Valuation

P/BV motivated share price

We believe a reasonable long-term P/BV multiple for EfTEN is 1.1x, which is our Base case multiple. Applying a P/BV of 1.1x to our 2026 estimated Book value per share of EUR 20.72 indicates a Fair value of EUR 22.79 per share (prev. 22.69), implying an upside of around 16%. The only difference in our Bear (EUR 20.72/shr.) and Bull (EUR 24.86/shr.) case Fair values is that we apply a P/BV of 1.0x and 1.2x, respectively. A key aspect in our assumed P/BV multiple is that we believe the book value is conservatively valued. It is possible to find real estate companies with P/BV far below 1x, but this is mainly due to investors not believing in the book value. On a peer P/BV vs. ROE scatter chart, EfTEN appears below the trend line which is consistent with our valuation upside.

EfTEN Fair value scenarios	Bear	Base	Bull
Book value per share 2026E (EUR)	20.72	20.72	20.72
Fair P/BV multiple	1.0	1.1	1.2
Fair value per share (EUR)	20.72	22.79	24.86
Share price (EUR)	19.65	19.65	19.65
Upside/Downside	5%	16%	27%

Source: Enlight Research (Estimates)



Source: MarketScreener.com, Enlight Research (EfTEN)

Estimate deviations

Deviation by Segment Segment Sales	Estimate Q2/26	Outcome Q2/26	Diff EURm	Diff % or %-pts
Office premises	1.7	1.8	0.0	2.3%
National institutions	0.2	0.2	0.0	-0.5%
Retail premises	3.5	3.3	-0.2	-5.4%
Logistics premises	2.7	2.5	-0.1	-4.4%
Care home premises	0.4	0.4	0.0	2.7%
Other sales revenue	0.5	0.3	-0.2	-39.5%
Total income	**9.0**	**8.5**	**-0.5**	**-5.0%**
Growth y-on-y (%)	13.9%	4.1%	-0.1	-70.7%

Deviation for Group Income statement	Estimate Q2/26	Outcome Q2/26	Diff EURm	Diff % or %-pts
Rental income	8.7	8.2	-0.5	-5.7%
Other sales revenue	0.3	0.3	0.1	20.4%
Total income	**9.0**	**8.5**	**-0.5**	**-5.0%**
Cost of services sold	-0.4	-0.3	0.1	-19.3%
Gross profit	**8.6**	**8.2**	**-0.4**	**-4.4%**
SG & A	-1.2	-1.3	-0.1	nm
Profit/loss fair value investment property	0.0	-0.1	-0.1	nm
Other operating income/expense	0.0	0.1	0.1	nm
Operating profit	**7.4**	**7.0**	**-0.4**	**-5.5%**
Profit/loss from joint ventures	0.0	0.0	0.0	nm
Loss on sale of subsidiary	0.0	0.0	0.0	nm
Interest income	0.0	0.1	0.1	nm
Other finance income and expense	-1.3	-1.8	-0.5	41.3%
Financial net	*-1.3*	*-1.8*	*-0.5*	35.1%
Profit before income tax	**6.1**	**5.2**	**-0.9**	**-14.2%**
Income tax expense	*-1.8*	-1.3	*0.5*	-28.8%
Net profit	**4.3**	**4.0**	**-0.4**	**-8.3%**

Growth	Estimate Q2/26	Outcome Q2/26	Diff EURm	Diff % or %-pts
Rental income - y-on-y	10.7%	4.4%	na	-6.4
Total income - y-on-y	9.6%	4.1%	na	-5.5

Margins	Estimate Q2/26	Outcome Q2/26	Diff EURm	Diff % or %-pts
Gross profit margin	95.6%	96.2%	na	0.7
Operating margin	82.6%	82.1%	na	-0.4
Pre-tax profit margin	68.0%	61.4%	na	-6.6
Net profit margin	48.3%	46.7%	na	-1.7

Source: Company report (outcome), Enlight Research (estimates)

Estimate changes

Estimate changes

Total income (EURm)	2026E	2027E	2028E
Old estimate	33.9	34.6	35.3
New estimate	34.3	35.4	35.9
Change (EURm)	0.4	0.8	0.6
Change	1.3%	2.2%	1.6%

EBITDA (EURm)	2026E	2027E	2028E
Old estimate	27.4	28.0	28.6
New estimate	28.3	28.8	29.2
Change (EURm)	0.9	0.8	0.6
Change	3.2%	2.8%	2.1%

EBIT (EURm)	2026E	2027E	2028E
Old estimate	27.3	27.9	28.6
New estimate	28.2	28.8	29.2
Change (EURm)	0.9	0.9	0.6
Change	3.5%	3.1%	2.0%

Pre-tax profit (EURm)	2026E	2027E	2028E
Old estimate	20.9	21.1	21.5
New estimate	22.3	22.1	22.4
Change (EURm)	1.4	1.0	0.9
Change	6.6%	4.9%	4.2%

EPS (EUR)	2026E	2027E	2028E
Old estimate	1.51	1.53	1.55
New estimate	1.59	1.58	1.60
Change (EUR)	0.08	0.05	0.05
Change	5.6%	3.5%	3.4%

Dividend (EUR)	2026E	2027E	2028E
Old estimate	1.20	1.21	1.22
New estimate	1.21	1.22	1.23
Change (EUR)	0.01	0.01	0.01
Change	1.2%	0.7%	0.8%

Source: Enlight Research

Forecast

EfTEN Forecast

Key ratios	Q1/26	Q2/26	Q3/26E	Q4/26E	2025	2026E	2027E	2028E
Net leasable area (m2 thous.)	343	348	356	356	355	356	356	356
Growth y-on-y	-2.0%	-1.7%	0.5%	0.3%	2.0%	0.3%	0.0%	0.0%
Occupancy rate	96.6%	97.6%	97.4%	96.3%	96.8%	96.3%	97.4%	98.1%
Leased Net area (m2 thous.)	331	340	347	342	343	342	346	349
Growth y-on-y	-1.0%	3.4%	1.6%	-0.2%	1.4%	-0.2%	1.2%	0.7%
Rent per m2 Net area (EUR)	25.44	25.12	24.11	26.36	96.41	100.31	102.13	102.84
Growth y-on-y	8.2%	0.7%	-1.6%	4.5%	5.0%	4.0%	1.8%	0.7%

Income statement (EURm)	Q1/26	Q2/26	Q3/26E	Q4/26E	2025	2026E	2027E	2028E
Rental income	8.2	8.2	8.1	8.7	32.0	33.2	34.3	34.8
Other sales revenue	0.2	0.3	0.3	0.3	1.1	1.1	1.1	1.1
Total income	**8.4**	**8.5**	**8.4**	**9.0**	**33.1**	**34.3**	**35.4**	**35.9**
Cost of services sold	-0.4	-0.3	-0.4	-0.4	-1.7	-1.5	-1.7	-1.7
Gross profit	8.0	8.2	8.0	8.6	31.4	32.8	33.7	34.2
Marketing costs	-0.2	-0.3	-0.2	-0.2	-0.7	-0.8	-0.8	-0.9
General and administrative expenses	-1.0	-1.0	-0.9	-0.9	-4.0	-3.8	-4.1	-4.1
Change FV investment property	0.0	-0.1	0.0	0.0	-3.5	-0.1	0.0	0.0
Other operating income and expense	0.0	0.1	0.0	0.0	0.1	0.1	0.0	0.0
Operating profit	**6.8**	**7.0**	**6.9**	**7.6**	**23.3**	**28.2**	**28.8**	**29.2**
Profit/loss from joint ventures	-0.1	0.0	0.0	0.0	0.2	0.0	0.0	0.0
Loss on sale of subsidiary	-0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest income	0.1	0.1	0.0	0.0	0.2	0.0	0.0	0.0
Other finance income and expense	-1.3	-1.8	0.0	0.0	-6.7	0.0	0.0	0.0
Financial net	-1.6	-1.8	-1.3	-1.3	-6.3	-6.0	-6.6	-6.8
Pre-tax Profit	**5.2**	**5.2**	**5.6**	**6.3**	**17.0**	**22.3**	**22.1**	**22.4**
Income tax expense	-0.3	-1.3	-1.1	-1.3	-4.8	-3.9	-3.9	-3.9
Net profit	**4.9**	**4.0**	**4.4**	**5.0**	**12.2**	**18.4**	**18.2**	**18.5**

Growth	Q1/26	Q2/26	Q3/26E	Q4/26E	2025	2026E	2027E	2028E
Rental income - y-on-y	0.0%	4.4%	0.0%	0.0%	5.5%	3.8%	3.1%	1.5%
Total income - y-on-y	7.2%	4.1%	0.0%	4.3%	6.5%	3.8%	3.0%	1.4%

Margins	Q1/26	Q2/26	Q3/26E	Q4/26E	2025	2026E	2027E	2028E
Gross profit margin	94.9%	96.2%	95.5%	95.8%	94.9%	95.6%	95.2%	95.2%
Operating margin	80.8%	82.1%	82.1%	83.8%	70.4%	82.2%	81.3%	81.3%
Pre-tax profit margin	61.9%	61.4%	66.5%	69.4%	51.4%	64.9%	62.6%	62.5%
Net profit margin	58.5%	46.7%	53.2%	55.5%	37.0%	53.5%	51.6%	51.5%

Source: Company (historical), Enlight Research (estimates)

Risk factors

Below are the risk factors we find the most relevant given the current environment. For additional risk factors, we recommend reading the company reports and listing documents.

Interest rate risk

An increase in the interest rates could affect the net income and pressure the valuation of the Group's property portfolio.

Liquidity risk

In the Baltics, commercial real estate liquidity is lower than in, e.g., Scandinavia and Western Europe. This means it could take longer than expected to sell a property.

Operational risk (occupancy change)

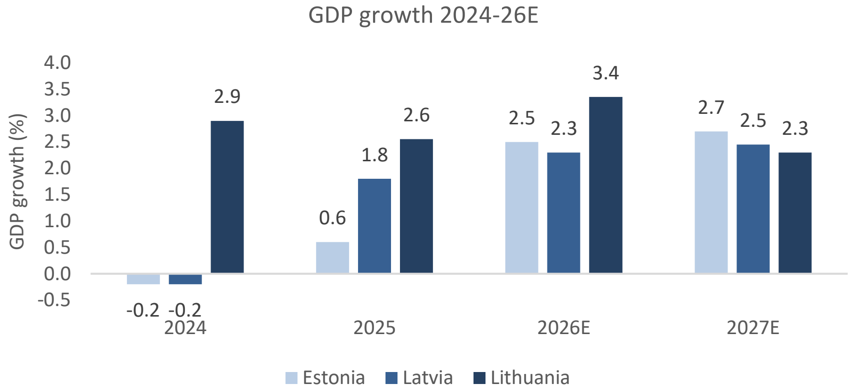
A significant downturn in the economy could lead to declining occupancy levels. This means less rental revenue for the fund. A lower occupancy rate could also lead to a breach of bank covenants.

New work habits

The work from home trend might hurt the occupancy rate as it could lower the demand for office space.

GDP growth

Slow or declining GDP growth can affect tenants' income and their ability to pay currently set rent levels.



Source: SEB, Swedbank

Property development

Property development entails risk of delays and higher costs. These risks can result in delayed rental income and longer property payback time.

Tax risk

EfTEN owns real estate assets in Estonia, Latvia, and Lithuania where each country has its own tax system. Higher taxes could potentially decrease profits.

Income Statement	2024	2025	2026E	2027E	2028E
Net sales	31.1	32.0	34.3	35.4	35.9
Total operating costs	-4.6	-5.2	-6.1	-6.6	-6.7
EBITDA	**26.5**	**26.8**	**28.3**	**28.8**	**29.2**
Depreciation & Amort.	-0.1	-0.1	0.0	0.0	0.0
One-off EBIT items	0.0	0.0	0.0	0.0	0.0
EBIT	**26.4**	**26.8**	**28.2**	**28.8**	**29.2**
Financial net	-9.6	-9.7	-6.0	-6.6	-6.8
Pre-tax profit	**16.8**	**17.0**	**22.3**	**22.1**	**22.4**
Taxes	-3.2	-4.8	-3.9	-3.9	-3.9
Minority interest	0.0	0.0	0.0	0.0	0.0
Other items	0.0	0.0	0.0	0.0	0.0
Net profit	**13.6**	**12.2**	**18.4**	**18.2**	**18.5**

Balance Sheet	2024	2025	2026E	2027E	2028E
Cash and cash equivalent	21	20	22	22	23
Receivables	2	2	2	2	2
Inventories	0	0	0	0	0
Other current assets	0	0	0	0	0
Current assets	**23**	**22**	**24**	**25**	**25**
Tangible assets	374	381	388	395	402
Goodwill & intangible assets	0	0	0	0	0
Lease & Investment properties	0	0	0	0	0
Investments	0	0	0	0	0
Associated companies	2	2	2	2	2
Other non-current assets	0	0	0	0	0
Total fixed assets	**376**	**384**	**391**	**398**	**405**
Total Assets	**399**	**406**	**414**	**422**	**429**
Non-interest bearing current liabilities	0	0	0	0	0
Short-term debt	30	42	43	44	45
Other current liabilities	3	3	3	3	3
Total current liabilities	**34**	**45**	**46**	**47**	**48**
Long-term debt	119	112	115	117	119
Convertibles & Lease liab.	0	0	0	0	0
Deferred tax liabilities	11	13	13	13	13
Provisions	0	0	0	0	0
Other long-term liabilities	2	2	2	2	2
Total long-term liab.	**132**	**126**	**129**	**132**	**134**
Total Liabilities	**166**	**172**	**176**	**179**	**182**
Minority interest (BS)	0	0	0	0	0
Shareholders' equity	233	234	239	243	247
Total liabilities and equity	**399**	**406**	**414**	**422**	**429**

DCF valuation		Cash flow, mEUR	
WACC (%)	6.52 %	NPV FCF (2023-2025)	46
Assumptions 2023-2029 (%)		NPV FCF (2026-2032)	85
Sales CAGR	2.46 %	NPV FCF (2033-)	280
Avg. EBIT margin	83.73 %	Non-operating assets	6
Fair value per share (EUR)	22.79	Interest-bearing debt	-154
Share price (EUR)	19.70	Fair value estimate	263

Free Cash Flow	2024	2025	2026E	2027E	2028E
Operating profit	26.4	26.8	28.2	28.8	29.2
Depreciation & Amort.	0.1	0.1	0.0	0.0	0.0
Working capital chg.	0.1	-0.1	-0.1	-0.1	0.0
Other Operating CF items	-2.9	-4.6	-5.0	-5.1	-5.1
Operating Cash Flow	**23.6**	**22.1**	**23.2**	**23.7**	**24.0**
Net investments	-15.9	-7.3	-7.0	-7.0	-7.0
Other items	0.1	0.1	0.0	0.0	0.0
Free Cash Flow	**7.8**	**14.8**	**16.2**	**16.7**	**17.0**

Capital structure	2024	2025	2026E	2027E	2028E
Equity ratio	58.5%	57.7%	57.6%	57.6%	57.6%
Debt / Equity ratio	64.1%	65.8%	66.2%	66.5%	66.4%
Gearing %	55.3%	57.1%	57.1%	57.2%	57.2%
Net debt/EBITDA	4.9	5.0	4.8	4.8	4.9
Interest coverage ratio	3.1	4.3	4.7	4.3	4.3

Profitability	2024	2025	2026E	2027E	2028E
ROE	6.0%	5.2%	7.8%	7.6%	7.5%
FCF yield	3.8%	6.7%	7.1%	7.4%	7.5%
EBITDA margin	85.1%	83.7%	82.3%	81.4%	81.4%
EBIT margin	84.8%	83.6%	82.2%	81.3%	81.3%
PTP margin	54.0%	53.1%	64.9%	62.6%	62.5%
Net margin	43.7%	38.2%	53.5%	51.6%	51.5%

Valuation	2024	2025	2026E	2027E	2028E
P/E	15.1	18.0	12.4	12.4	12.3
P/E, adjusted	15.1	18.0	12.4	12.4	12.3
P/Sales	6.6	6.9	6.6	6.4	6.3
EV/Sales	10.8	11.2	10.6	10.3	10.3
EV/EBITDA	12.7	13.4	12.9	12.7	12.6
EV/EBIT	12.7	13.4	12.9	12.7	12.6
P/BV	0.9	0.9	1.0	0.9	0.9
P/BV tangible	0.9	0.9	1.0	0.9	0.9

Per share ratios	2024	2025	2026E	2027E	2028E
EPS	1.25	1.06	1.59	1.58	1.60
EPS, adjusted	1.25	1.06	1.59	1.58	1.60
Operating CF/share	2.18	1.92	2.01	2.05	2.09
Free Cash Flow/share	0.72	1.28	1.40	1.45	1.48
BV/share	21.54	20.32	20.72	21.08	21.47
Tangible BV/share	21.54	20.32	20.72	21.08	21.47
Div. per share	1.11	1.20	1.21	1.22	1.23
Div. payout ratio	88.5%	113.1%	76.2%	77.0%	76.8%
Dividend yield	5.9%	6.3%	6.2%	6.2%	6.3%

Shareholders	Capital	Votes
LHV Pension Fund Ettevõtlik	30.877	13.60 %
REF Aktsiad OÜ	25.428	11.20 %
Hoiukonto OÜ	24.747	10.90 %
Altiuse KVI OÜ	23.612	10.40 %
Vello Kunman	12.487	5.50 %
EfTEN Capital AS	5.676	2.50 %
LHV Pensionifond Tasakaalukas	4.541	2.00 %
HTB Investeeringute OÜ	3.860	1.70 %

Key people	
CEO	Kristjan Tamla
CFO	Marilin Hein
IR	Kristjan Tamla
Chairman	Viljar Arakas

P/E $\frac{\text{Price per share}}{\text{Earnings per share}}$	**EPS** $\frac{\text{Profit before extraordinary items and taxes – income taxes + minority interest}}{\text{Number of shares}}$
P/Sales $\frac{\text{Market cap}}{\text{Sales}}$	**DPS** Dividend for financial period per share
P/BV $\frac{\text{Price per share}}{\text{Shareholders' equity + taxed provisions per share}}$	**CEPS** $\frac{\text{Gross cash flow from operations}}{\text{Number of shares}}$
P/CF $\frac{\text{Price per share}}{\text{Operating cash flow per share}}$	**EV/Share** $\frac{\text{Enterprise value}}{\text{Number of shares}}$
EV (Enterprise value) Market cap + Net debt + Minority interest at market value – share of associated companies at market value	**Sales/Share** $\frac{\text{Sales}}{\text{Number of shares}}$
Net debt Interest-bearing debt – financial assets	**EBITDA/Share** $\frac{\text{Earnings before interest, tax, depreciation and amortization}}{\text{Number of shares}}$
EV/Sales $\frac{\text{Enterprise value}}{\text{Sales}}$	**EBIT/Share** $\frac{\text{Operating profit}}{\text{Number of shares}}$
EV/EBITDA $\frac{\text{Enterprise value}}{\text{Earnings before interest, tax, depreciation and amortization}}$	**EAFI/Share** $\frac{\text{Pre-tax profit}}{\text{Number of shares}}$
EV/EBIT $\frac{\text{Enterprise value}}{\text{Operating profit}}$	**Capital employed/Share** $\frac{\text{Total assets – non-interest-bearing debt}}{\text{Number of shares}}$
Div yield, % $\frac{\text{Dividend per share}}{\text{Price per share}}$	**Total assets** Balance sheet total
Payout ratio, % $\frac{\text{Total dividends}}{\text{Earnings before extraordinary items and taxes – income taxes + minority interest}}$	**Interest coverage (x)** $\frac{\text{Operating profit}}{\text{Financial items}}$
Net cash/Share $\frac{\text{Financial assets – interest-bearing debt}}{\text{Number of shares}}$	**Asset turnover (x)** $\frac{\text{Turnover}}{\text{Balance sheet total (average)}}$
ROA, % $\frac{\text{Operating profit + financial income + extraordinary items}}{\text{Balance sheet total – interest-free short-term debt – long-term advances received and accounts payable (average)}}$	**Debt/Equity, %** $\frac{\text{Interest-bearing debt}}{\text{Shareholders' equity + minority interest + taxed provisions}}$
ROCE, % $\frac{\text{Profit before extraordinary items + interest expenses + other financial costs}}{\text{Balance sheet total – non-interest-bearing debt (average)}}$	**Equity ratio, %** $\frac{\text{Shareholders' equity + minority interest + taxed provisions}}{\text{Total assets – interest-free loans}}$
ROE, % $\frac{\text{Profit before extraordinary items – income taxes}}{\text{Shareholders' equity + minority interest + taxed provisions (average)}}$	**CAGR, %** Cumulative annual growth rate = Average growth rate per year

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