

Fund objective

Baltic Horizon's primary focus is to invest directly into commercial real estate located in Estonia, Latvia and Lithuania with a particular focus on the capitals – Tallinn, Riga and Vilnius.

Financial goals

- 12-15% return on equity p.a.
- 55% leverage target

Structure and governance

- As of Q1 2022, Baltic Horizon Fund is one of the biggest real estate Fund listed in the Baltics.
- Baltic Horizon Fund is also the first AIF on the alternative investment funds list of Nasdaq Stockholm.
- Baltic Horizon Fund operates under the REIF concept where vast majority of Fund's cash earnings are paid out quarterly to investors.
- Baltic Horizon Fund has declared approx. 42.14 mEUR dividend distribution to investors since first listing.
- The Fund was the first issuer listed on the Nasdaq Baltic Stock Exchange that has been rated by a global rating agency - S&P Global Ratings. On 12 April 2021, the mid-market evaluation rating on Baltic Horizon remained at 'MM3', despite the pandemic. The indicative corresponding rating for "MM3" on the global rating scale is "BB+/BB".

Fund overview

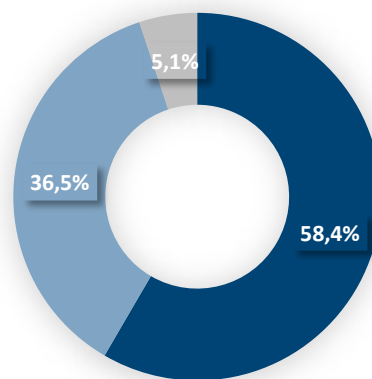
Ticker (TLN/STO)	NHCBHFFT/NHCBFS
Fund manager	Northern Horizon Capital AS
Number of units	119 635 429
Type	closed-end contractual evergreen
Unit Net Asset Value, EUR	1.1114
Size	345 592 EUR thousand
Equity	132 964 EUR thousand
LTV	59.8%
Distribution to investors since first listing	approx. 42.14 mEUR
Focus	direct investments to Baltic countries, particular focus on capital cities

Dividend capacity (dividend distribution continued during COVID-19 restrictions)

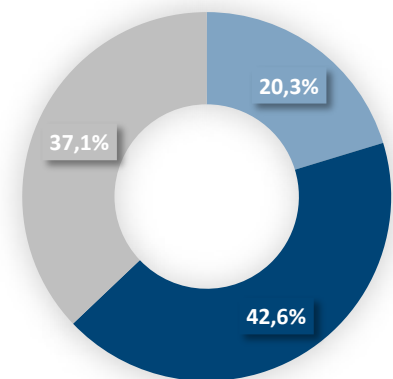
EUR ' 000	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022
Generated net cash ow (GNCF)	2 034	2 203	2 505	2 007	1 897
GNCF per weighted unit	0.017	0.018	0.021	0.017	0.016
12-months rolling GNCF yield ¹	7.4%	7.0%	7.0%	6.8%	7.6%
Dividends declared per weighted unit	0.011	0.011	0.017	0.019	0.013
12-months rolling dividend yield ¹	5.4%	5.0%	5.0%	5.4%	6.3%

¹ 12-month rolling GNCF and dividend yields are based on the closing market price of the unit as at the end of the quarter (Q1 2022: closing market price of the unit as of 31 March 2022).

Properties by NOI (Q1 2022)



■ Office ■ Retail ■ Leisure



■ Estonia ■ Latvia ■ Lithuania

Main portfolio financial covenants

1 2 3 4 5 6 7

Lower risk
Potentially lower reward

Higher risk
Potentially higher reward

Fund management



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Baltic Horizon Fund is managed by Northern Horizon Capital AS, a subsidiary of Northern Horizon group. Northern Horizon Capital AS is a licensed AIFM and is supervised by Estonian FSA.

Portfolio

Cost of debt ²	2.80%
NOI 2021	17 004 EUR thousand
NOI for 2020	19 934 EUR thousand
Weighted debt financing average time	1.5 years
Portfolio yield ¹	5.0%
Vacancy ²	7.6%

¹ As of Q1 2022 ² As of March 31, 2022



Owned properties			
Property name	City	NLA (m ²)	% of Total NOI
Lincona BC	Tallinn	10 870	6.20%
CC Plaza	Tallinn	8 664	5.10%
Pirita SC	Tallinn	5 444	3.32%
Postimaja SC	Tallinn	9 147	5.63%
Sky SC	Riga	3 249	2.48%
Upmalas Biroji BC	Riga	10 459	10.83%
Vainodes I BC	Riga	8 052	8.49%
LNK Centre BC	Riga	7 453	6.58%
Galerija Centrs SC	Riga	20 022	14.24%
Domus Pro SC	Vilnius	11 226	7.51%
Europa SC	Vilnius	16 844	3.27%
Duetto I BC	Vilnius	8 587	7.11%
Domus Pro Office	Vilnius	4 831	3.17%
Duetto II BC	Vilnius	8 674	8.39%
North Star BC	Vilnius	10 550	7.68%
Meraki BC	Vilnius	*Under construction	
SC - Shopping centre BC - Business centre	Total LNA:	144 071	100%

Top tenants
Rimi
SEB
Latvian State Forestry
Forum Cinemas
Intrum Group
EMERGN
Lithuania Tax Inspectorate
Vilnius heating network company
New Yorker Eesti
EIS Group

Top 6 investors
Svenska kyrkans pensionskassa
SEB Baltic Pensions
Skandinaviska Enskilda Banken S.A.
Vienna Insurance Group
VP Bank S.A.
EIKOS AB

Gross & Net Asset Value

At the end of Q1 2022, the Fund's GAV was EUR 345.6 million (31 December 2021: EUR 346.3 million), 0.2% lower than at the end of the previous period. The decrease is mainly related to a decrease in cash after the dividend pay-out in Q1 2022. The Fund made capital investments (EUR 1.9 million) in the Meraki office building development project during Q1 2022. The Fund aims to carry on with the construction of the Meraki office building throughout 2022 and 2023. An additional EUR 2.2 million was invested in other (re) development projects. The Management Company will continue to actively monitor the economic impact of the pandemic and ensure sufficient liquidity levels during the construction period.

At the end of Q1 2022, the Fund's NAV slightly increased to EUR 133.0 million (31 December 2021: EUR 132.6 million). Compared to the year-end 2021 NAV, the Fund's NAV increased by 0.3%. The increase in operational performance and positive cash flow hedge reserve movement of EUR 0.7 million over the quarter was offset by a EUR 2.3 million dividend distribution to the unitholders. As at 31 March 2022, IFRS NAV per unit stood at EUR 1.1114 (31 December 2021: EUR 1.1082), while EPRA net tangible assets and EPRA net reinstatement value were EUR 1.1902 per unit (31 December 2021: EUR 1.1884). EPRA net disposal value was EUR 1.1100 per unit (31 December 2021: EUR 1.1086).

Net profit and net rental income

The Group recorded a net profit of EUR 2.0 million for Q1 2022 against a net profit of EUR 1.9 million for Q1 2021. The net result was significantly impacted by strong recovery of the Galerija Centrs operating performance as fewer COVID-19 rent reliefs have been granted to tenants in 2022. The positive impact of the increase in net rental income was also influenced by a decrease in administrative expenses. Earnings per unit for Q1 2022 were EUR 0.02 (Q1 2021: EUR 0.02). The Group earned net rental income of EUR 4.2 million in both Q1 2022 and Q1 2021. The results for Q1 2021 still included EUR 0.3 million of net rental income from G4S Headquarters, which was sold in Q4 2021 and did not contribute to Q1 2022 results. Rent indexations and recovery of income improved the net rental income of the same portfolio mix (like-for-like portfolio).