

Fund overview

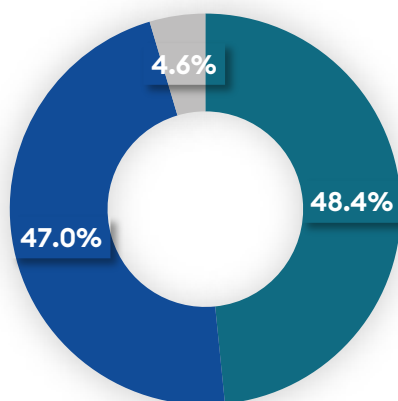
Ticker (TLN/STO)	NHCBHFFT/ NHCBHFFSDB
Fund manager	Northern Horizon Capital AS
Number of units	119 635 429
Type	closed-end contractual evergreen
Unit Net Asset Value, EUR	1,1156
Size	343 963 EUR thousand
Equity	133 655 EUR thousand
LTV	57.30%
Distribution to investors since first listing	approx. 45.3 mEUR

Portfolio

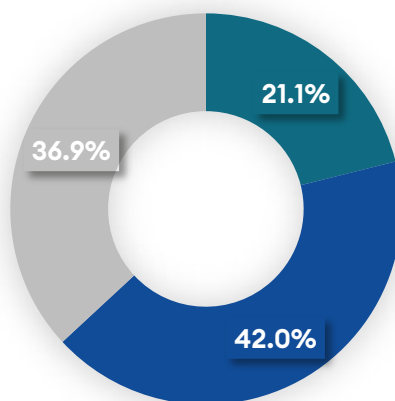
Cost of debt ²	3.40%
NOI for Q1 2023	4 202 EUR thousand
NOI for Q1 2022	4 193 EUR thousand
Number of cash-flow properties	14
GRESB rating	4 stars
Portfolio NIY ¹	5.0%
AVG Vacancy ²	5.4%

¹ As of Q1 2023 ² As of March 31, 2023

Properties by NOI (Q1 2023)



■ Office ■ Retail ■ Leisure



■ Estonia ■ Latvia ■ Lithuania

Dividend capacity

EUR '000	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Generated net cash ow (GNCF)	1 897	2 250	1 858	1 136	1 477
GNCF per weighted unit	0.016	0.019	0.016	0.009	0.01
12-months rolling GNCF yield ¹	7.6%	8.0%	9.4%	10.4%	10.1%
Dividends declared per weighted unit	0.013	0.013	-	-	-
12-months rolling dividend yield ¹	6.3%	6.9%	-	-	-

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 2023: closing market price of the unit as of 31 March 2023).

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.

The Fund aims to pay regular dividends and create long-term value from active asset management of its holdings.

Financial goals

- 10-12% return on equity p.a.
- 50% long-term leverage target
- Dividend distribution up to 80% of generated net cash flow
- Equity Ratio > 35.0%
- Debt Service Coverage Ratio > 1.20

Risk and reward profile

1 2 3 4 **5** 6 7

Lower risk Higher risk
Potentially lower reward Potentially higher reward

Fund management

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.

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Owned properties

Property name	City	NLA (m ²)	% of NOI for Q1 2023
Lincona BC	Tallinn	10 780	6.54%
CC Plaza	Tallinn	8 664	4.71%
Pirita SC	Tallinn	5 441	4.21%
Postimaja SC	Tallinn	9 232	7.72%
Sky SC	Riga	3 240	2.37%
Upmalas Biroji BC	Riga	10 459	10.42%
Vainodes I BC	Riga	8 052	8.16%
LNK Centre BC	Riga	7 452	7.01%
Galerija Centrs SC	Riga	19 172	6.06%
Domus Pro SC ²	Vilnius	11 226	5.35%
Europa SC	Vilnius	16 901	8.63%
Duetto I BC	Vilnius	8 587	7.55%
Domus Pro Office ²	Vilnius	4 831	2.37%
Duetto II BC	Vilnius	8 674	8.32%
North Star BC	Vilnius	10 579	9.12%
Meraki BC	Vilnius	8 113	1.47% ¹
SC - Shopping centre BC - Business centre	Total NLA	151 401	100%

¹ The Fund completed the development of the first tower of the Meraki building in September 2022. Rental income has been received starting from October 2022. Initial rental costs were recognised in September 2022.

² The Fund completed the disposal of Domus Pro Retail and Office complex on 6 March 2023.

Fund facts

As of Q1 2023, Baltic Horizon Fund is one of the biggest real estate funds listed in the Baltics.

Baltic Horizon Fund is also the first AIF on the alternative (SDR) 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 to investors.

Baltic Horizon Fund has declared approx. 45.3 mEUR dividend distribution to investors since first listing in 2016.

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Top tenants

Rimi (ICA Group)
SEB Bank
Latvian State Forestry
Intrum Group
Apollo Group
EMERGN
Lithuania Tax Inspectorate
New Yorker Eesti
EIS Group
Swedbank

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 2023, the Fund's GAV was EUR 321.3 million (31 December 2022: EUR 344.0 million), 6.6% lower than at the end of the previous period. The decrease is mainly related to the sale of the shares in BH Domus Pro UAB.

At the end of Q1 2023, the Fund's NAV was EUR 133.5 million (31 December 2022: EUR 133.7 million). Compared to the year-end 2022 NAV, the Fund's NAV decreased by 0.1%. The increase in operational performance was partially offset by a EUR 1.5 million loss from the disposal of the BH Domus Pro UAB shares. As of 31 March 2023, IFRS NAV per unit decreased to EUR 1.1156 (31 December 2022: EUR 1.1172), while EPRA net tangible assets and EPRA net reinstatement value was EUR 1.1668 per unit (31 December 2022: EUR 1.1865). EPRA net disposal value was EUR 1.1130 per unit (31 December 2022: EUR 1.1143).

Net profit and net rental income

The Group recorded a net profit of EUR 23 thousand against EUR 2.0 million for Q1 2022. The net result was strongly impacted by the sale of the shares in BH Domus Pro UAB, which owns a retail park and an office building in Vilnius, Lithuania, which resulted in the loss on disposal of EUR 1.5 million. The net profit was also impacted by the increased financial expenses. The positive impact of the increase in net rental income was partly offset by non-recoverable property costs. Earnings per unit for Q1 2023 were EUR 0.00 (Q1 2022: EUR 0.02).

The Group earned net rental income of EUR 4.2 million in both Q1 2023 and Q1 2022. The results for 2023 include two months' net rental income of Domus Pro Retail and Office property (EUR 0.3 million), which was sold in February 2023. Rent indexations and the recovery of income improved the net rental income of the same portfolio mix (like-for-like portfolio).