

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	0.8058
Size	250 164 EUR thousand
Equity	96 398 EUR thousand
LTV	61%
Distribution to investors since first listing	approx. 45.3 mEUR

Portfolio

Cost of debt ²	6.40%
NOI for Q3 2023 - Q2 2024	12 106 EUR thousand
NOI for 2023	14 617 EUR thousand
Number of cash-flow properties	12
GRESB rating	★★★★☆
Portfolio NIY ¹	4.80%
Occupancy rate ²	79.1%

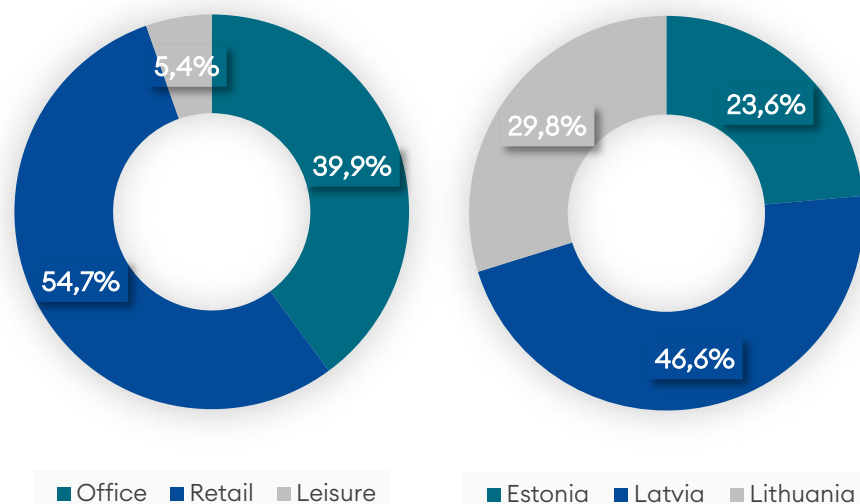
¹ The net initial yield (NIY) is calculated by dividing annualized NOI by the market value of the property. Data is as of Q2 2024

² As of June 30, 2024

Summary of recently signed lease agreements

Property	Tenant name	Net Leased area, sqm
CC Plaza	Apollo Kino	2,200
Galerija Centrs	My Fitness	2,003
Meraki	Vlantana	605
Europa	Armitana	347
Europa	Flebolobijos Cebtras	345
Others		861
Total		6,361

Properties by NOI (Q2 2024)



Fund objective

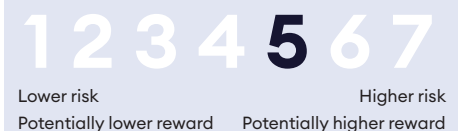
Baltic Horizon's primary focus is to invest directly into commercial real estate located in Estonia, Latvia and Lithuania with a particular focus on the capitals – Tallinn, Riga and Vilnius.

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.
- 40-50% long-term leverage target
- Equity Ratio > 35.0%
- Debt Service Coverage Ratio > 1.10

Risk and reward profile



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 Q2 2024
Lincona BC	Tallinn	10 767	8.3%
CC Plaza	Tallinn	8 121	5.3%
Pirita SC	Tallinn	5 425	6.7%
Postimaja SC	Tallinn	9 232	10.9%
Sky SC	Riga	3 259	3.6%
Upmalas Biroji BC	Riga	11 212	6.9%
Vainodes I BC	Riga	8 128	11.5%
S27 BC	Riga	7 450	-0.3%
Galerija Centrs SC	Riga	19 331	24.7%
Europa SC	Vilnius	17 081	9.2%
North Star BC	Vilnius	10 631	11.3%
Meraki BC	Vilnius	8 114	1.9%
SC - Shopping centre BC - Business centre	Total NLA	118 751	100%

Top tenants

Rimi (ICA Group)
 Latvian State Forestry
 Apollo Group
 Latvian State Police
 Myfitness
 Lithuania Tax Inspectorate
 Narbutas
 Swedbank
 IKI
 Estonian Information System Authority

Top 5 investors

Svenska kyrkans pensionskassa
 SEB Baltic Pensions
 Skandinaviska Enskilda Banken S.A.
 Vienna Insurance Group
 VP Bank S.A.

Fund facts

As of Q2 2024, 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 has been honoured with a Gold BPR Award for its financial reporting from the European Public Real Estate Association (EPRA) for the fourth year in a row.

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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Office portfolio overview

Fund has successfully extended all major lease agreements in the portfolio that were expected to extend during H1 2024.

In H1, the Fund has successfully extended leases for over 6,200 sq. m and signed new leases for over 4,400 sq. m of office space with well-known tenants, including Narbutas, Vlantana and Hertz in Meraki, Estonian Information System Authority in Lincona, Rail Holding in Northstar and others.

The Fund is in active negotiations with tenants for over 7,000 sq. m of vacant office space out of which 3,700 sq. m are already secured with signed LOIs.

Retail portfolio overview

In H1 2024, the Fund extended leases for approx. 11,000 sq. m signed new leases for approx. 7,000 sq. m of retail and leisure space, including two new anchor tenant agreements signed with MyFitness in Galerija Centrs and Apollo Group in Coca-Cola Plaza.

While Postimaja is fully let, the Fund is further working on rejuvenating Europa, which recently had the new IKI grocery store opened and awaits opening of Eurokos and Perfectus Clinic, which together with the new dining zone will enhance appeal and viability of the SC.

Gross & Net Asset Value

At the end of H1 2024, the Fund's GAV was EUR 250.1 million (31 December 2023: EUR 261.1 million). The decrease of approx. EUR 11 million is mainly related to the revaluation of the Fund's investment properties at the end of H1 2024.

As of 30 June 2024, the Fund's NAV was EUR 96.4 million (31 December 2023: EUR 109.5 million). Compared to the year-end 2023, the Fund's NAV decreased by 11.9%. The NAV decrease was mainly affected by the revaluation of investment properties.

Net profit and net rental income

In H1 2024, the Group recorded a net loss of EUR 12.9 million compared with a net loss of EUR 15.0 million for H1 2023. The result was mainly driven by the property valuation loss. Earnings per unit for H1 2024 were negative at EUR 0.11 (H1 2023: negative at EUR 0.13).

The Group earned net rental income of EUR 6.0 million in H1 2024 (H1 2023: 8.5 million). The results for H1 2023 include two months' net rental income of the Domus Pro Retail and Office property (EUR 0.3 million) and five months' net rental income of the Duetto properties (EUR 1.2 million), which were sold in February and May 2023, respectively.