



Webinar Q4 2024

Baltic Horizon Fund

February 2025



Baltic Horizon Fund strategic ambitions

Strategic targets aim to ensure the future value creation for our investors

Our 6 strategic targets



Occupancy

>95%+

Portfolio occupancy
by the end of June 2025



Operating results

EUR 18m

Clear ESG and refurbishment
strategy with an aim to reach
portfolio NOI potential by 2027



Loan-To-Value

<50%

LTV target and repayment
of the bonds maturing
in 2024



Asset certification

100%

BREEAM or LEED
certified portfolio



Portfolio composition

Consider disposing of
non-strategic assets over
the next 18 months



GRESB assessment

=>4 stars

GRESB real estate
assessment rating

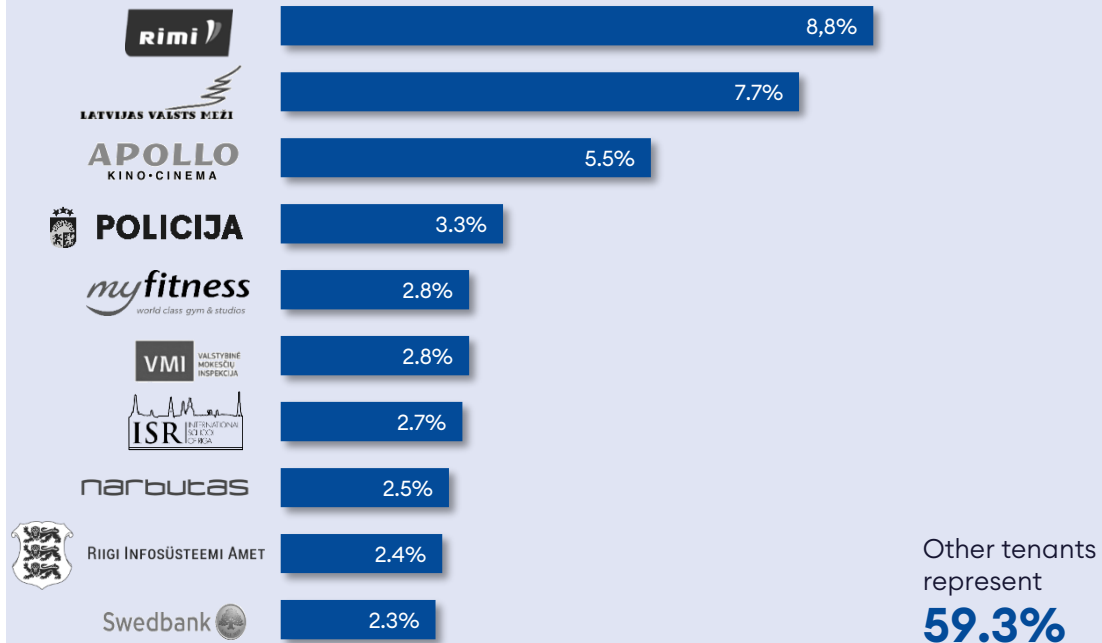
KPI overview

KPI	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Occupancy (Quarter avg.)	78.4%	81.6%	82.3%	80.1%	81.0%
Occupancy (End of Quarter)	81.1%	83.5%	79.1%	80.5%	82.1%
Average rent (EUR/sqm)	13.0	13.1	13.0	12.8	12.9
Net Operating Income ('000 EUR)	2,894	2,794	3,189	2,886	2,719
Total debt outstanding ('000 EUR)	143,742	151,868	146,694	146,583	149,227
Average cost of debt	5.2%	5.8%	6.4%	6.3%	6.7%
Euribor level	3.9%	3.9%	3.7%	3.3%	2.8%
LTV	57.3%	60.3%	61.3%	60.7%	61.8%
Capital expenditure (including fitouts)	(1,094)	(950)	(1,116)	(1,656)	(2,632)

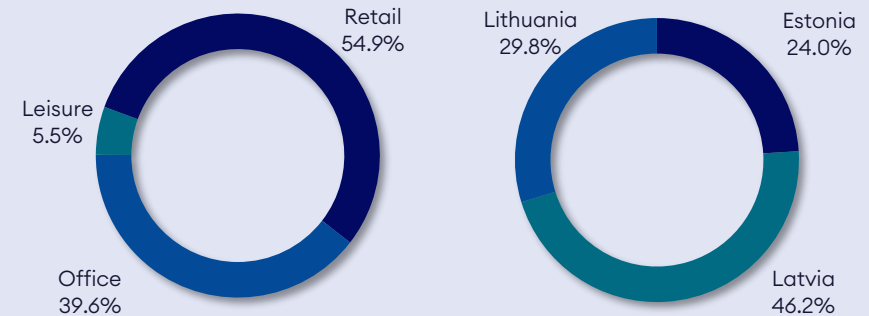
Baltic Horizon Fund portfolio summary

The Fund is minimizing concentration risk by diversifying the client base, segment, and geographical allocation

Rental concentration of the Fund's subsidiaries as of 31 December 2024



Fund segment and country distribution as of 31 December 2024



Baltic Horizon Fund leasing and tenant update

Confirmation of active leasing efforts and client trust

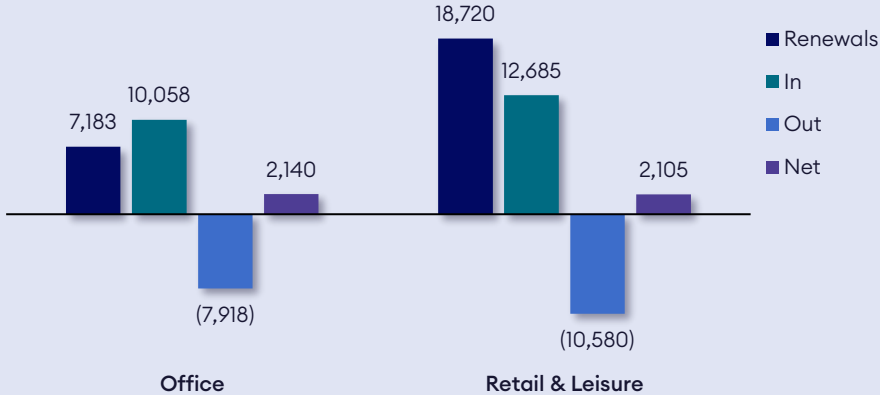


2.9y → **3.3y**
 WAULT until the first break
 31 December 2023 → WAULT until the first break
 31 December 2024

82.1% → **86.5%**
 Occupancy (handover date)
 31 December 2024 → Occupancy (signing date)
 31 December 2024

Leasing activity in January – December 2024

sq. m.



Key comments

- During 2024, the Fund signed new leases for **22,743 sq. m**, securing an annual rental income of **EUR 2,945** thousand for future periods. Furthermore, **61** new tenants have been attracted to our buildings, while **69** existing tenants have decided to continue their cooperation with us.
- By the end of December 2024, the occupancy of the portfolio increased to **82.1% based on tenants moved in**. Calculating based on the lease signing date, the occupancy already exceeds **86%** as of year-end. **The signed occupancy** in February is approximately **88,5%**. Signed premises shall be handed over to tenants in 2025.
- This success was primarily attributable to significant deals with prominent anchor tenants such as **Narbutas** in Meraki (3,200 sq. m) and **Apollo Group** in Coca-Cola Plaza (2,200 sq. m), **International School of Riga** in S27 (3,680 sq. m) and significant leases in Galerija Centrs signed with **My Fitness** (1,700 sq. m) and **Expo GROUP** (2,000 sq. m).
- A new anchor lease agreement has been signed also in Europa with further details to be announced in the near future.

Occupancy Update February 2025

Several LOIs signed in order to reach 95%+ occupancy by end of June 2025 and increase the monthly NOI to 1,4-1,5 mEUR given that all tenants have completed their fitout works, moved into the premises, and maintaining the current asset portfolio without any disposals. The main focus is on finalizing tenant negotiations in four properties: Upmalas Biroji, Europa, Galerija Centrs and S27.

Property	Sector	NLA	December 2024	Leased area February 2025*	Occupancy February 2025*	Under negotiations	Occupancy target	Difference
Lincona	Office	10,767	88.5%	9,965	92.6%	801	100.0%	11.5%
SKY	Retail	3,261	100.0%	3,261	100.0%		100.0%	0.0%
Coca Cola Plaza	Leisure	7,869	97.7%	7,869	100.0%		100.0%	2.3%
Europa	Retail	17,092	80.6%	15,987	93.4%	874	98.5%	17.9%
Upmalas Biroji	Office	11,203	64.1%	7,180	64.1%	3,000	95.3%	31.2%
Pirita	Retail	5,425	97.1%	5,266	97.1%	158	100.0%	2.9%
S27	Office	7,303	0.0%	3,845	51.6%	2,500	85.2%	85.2%
Vainodes I	Office	8,128	100.0%	8,128	100.0%		100.0%	0.0%
Postimaja	Retail	9,232	100.0%	9,232	100.0%		100.0%	0.0%
Galerija Centrs	Retail	19,423	84.7%	17,451	89.8%	710	93.5%	8.8%
North Star	Office	10,734	91.8%	9,859	91.8%	872	100.0%	8.1%
Meraki	Office	7,833	86.3%	6,758	86.3%	818	96.7%	10.4%
	TOTAL	118,269	82.1%	104,801	88.5%	10,233	97.1%	15.0%

*(including newly signed leases & LOIs)

Financial results for 2024 Q4

Profit and loss

EUR '000	01.10. - 31.12.2024	01.10. - 31.12.2023	Change (%)
Rental income	3,779	3,755	0.6%
Service charge income	1,145	1,487	(23.0%)
Cost of rental activities	(2,205)	(2,348)	(6.1%)
Net rental income	2,719	2,894	(6.0%)
Administrative expenses	(644)	(631)	2.1%
Other operating income (expenses)	3	29	(89.7%)
Losses on disposal of investment properties	(245)	(237)	3.4%
Valuation losses on investment properties	(3,052)	(7,250)	(57.9%)
Operating loss	(1,219)	(5,195)	(76.5%)
Financial income	169	29	482.8%
Financial expenses	(2,789)	(2,538)	9.9%
Net financial expenses	(2,620)	(2,509)	4.4%
Loss before tax	(3,839)	(7,704)	(50.2%)
Income tax charge	457	(53)	(962.3%)
Loss for the period	(3,382)	(7,757)	(56.4%)

Key comments:

- The Group earned consolidated net rental income of EUR 11.6 million in 2024 (2023: 14.6 million).
- On an EPRA like-for-like basis, the portfolio net rental income in 2024 was 11.8% lower than in 2023, mainly due to vacancies in office properties in Latvia due to the expiry of the agreement with the main tenant in Upmalas Biroji BC and 100% vacancy of S27, as well as lower rental income in Europa due to the new anchor tenant IKI equipping the premises and opening in March.
- In 2024, the Group recorded a net loss of EUR 16.8 million compared with a net loss of EUR 23.0 million for 2023. The result was mainly driven by the property valuation loss.

EPRA like-for-like net rental income by segment

EUR '000	Fair value 31.12. 2024	Net rental income 2024	Net rental income 2023	Change (EUR '000)	Change
Like-for-like assets					
Retail	132,456	6,178	6,147	32	0.5%
Office	95,512	4,831	6,189	(1,359)	(22.0%)
Leisure	13,190	579	807	(228)	(28.3%)
Total like-for-like assets	241,158	11,588	13,143	(1,555)	(11.8%)
Disposed assets	-	-	1,474	(1,474)	(100.0%)
Total portfolio assets	241,158	11,588	14,617	(3,029)	(20.7%)

Financial results for 2024 Q4

Financial position

EUR '000	31.12.2024	31.12.2023
Non-current assets		
Investment properties	241,158	250,385
Intangible assets	4	11
Property, plant and equipment	5	4
Derivative financial instruments	1	295
Other non-current assets	1,225	647
Total non-current assets	242,393	251,342
Current assets		
Trade and other receivables	2,800	2,591
Prepayments	802	402
Derivative financial instruments	-	621
Cash and cash equivalents	10,053	6,182
Total current assets	13,655	9,796
Total assets	256,048	261,138
Equity		
Paid in capital	151,495	145,200
Cash flow hedge reserve	(420)	531
Retained earnings	(52,980)	(36,199)
Total equity	98,095	109,532
Non-current liabilities		
Interest-bearing loans and borrowings	98,491	64,158
Deferred tax liabilities	1,898	2,774
Other non-current liabilities	1,446	1,079
Total non-current liabilities	101,835	68,011
Current liabilities		
Interest-bearing loans and borrowings	50,736	79,584
Trade and other payables	4,473	3,343
Income tax payable	14	6
Other current liabilities	895	662
Total current liabilities	56,118	83,595
Total liabilities	157,953	151,606
Total equity and liabilities	256,048	261,138

Key comments:

- As of 31 December 2024, the Fund's GAV was EUR 256.0 million (31 December 2023: EUR 261.1 million). The decrease compared to the prior year was mainly related to the negative revaluation of the Fund's investment properties of approx. EUR 9.5 million and was partly offset by the private placement of new units which took place in September and resulted in a cash increase of approx. EUR 6.29 million.
- As of 31 December 2024, interest-bearing loans and bonds (excluding lease liabilities) were EUR 149.0 million (31 December 2023: EUR 143.5 million). Annual loan amortisation accounted for 1.5% of total debt outstanding. In July 2024, the Fund successfully signed the Meraki loan with Bigbank for a total amount of EUR 10.3 million. A major part of the loan was used to repay short term bonds in the amount of EUR 8.0 million maturing in July 2024.
- On December 12, 2024, CC Plaza successfully refinanced its loan previously held with Swedbank, entering into a new agreement with Bigbank. As part of the refinancing, the carrying amount of the loan was increased by EUR 4.4 million.
- As of 31 December 2024, the Fund's consolidated cash and cash equivalents amounted to EUR 10.1 million (31 December 2023: EUR 6.2 million).
- As of 31 December 2024, the Fund's NAV was EUR 98.1 million (31 December 2023: EUR 109.5 million).

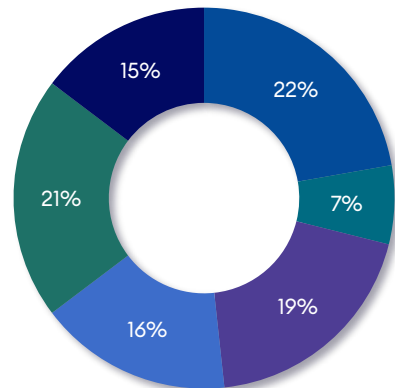
Financing summary

As of 31 December 2024

Summary of financing terms

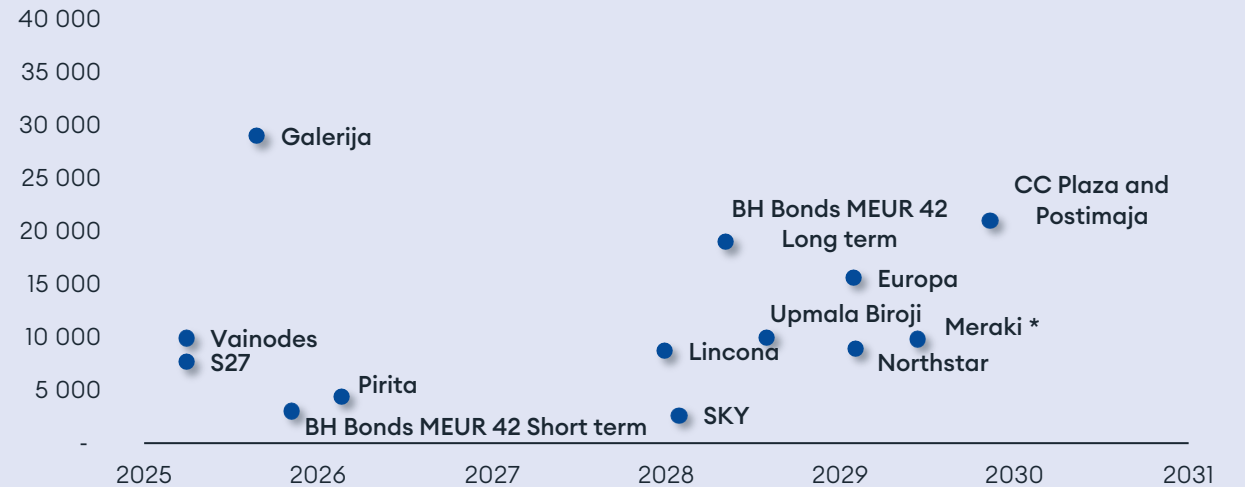


Diversification by creditor

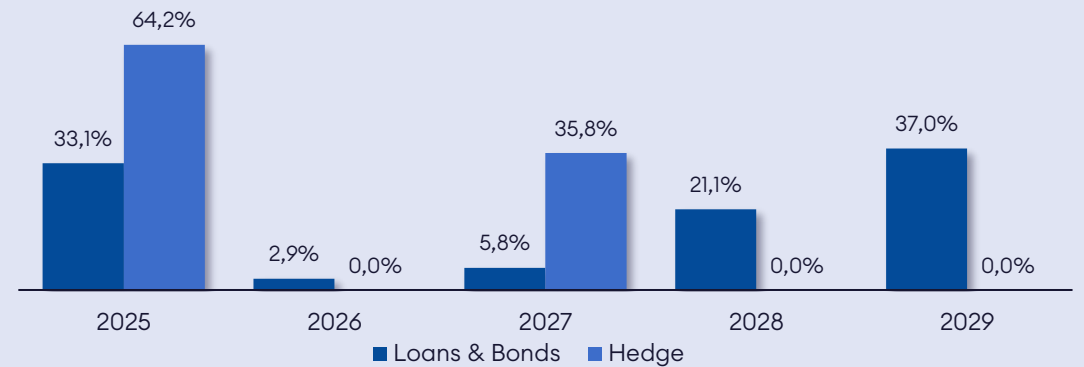


■ SEB ■ BluOr ■ OP ■ Siauliu Bankas ■ Big Bank ■ Bonds

Maturity by separate loan (EUR '000)



Loan and hedge maturity



Action plan for 2025

- Continue signing new lease agreements to **increase occupancy to 95%+ by June 2025**
- Work on **energy efficiency** of the properties and achieve 4 star GRESB rating
- Achieve a **Debt Service Coverage Ratio (DSCR) of at least 1.2** through the combination of disposals and increasing NOI while reducing (cost of) debt and amortization
- Focus on enhanced strategy formulation with an emphasis **Modern City Life mixed-use concept**, on **government and social tenants** while further decreasing general allocation to **B-class offices**
- Continue **redeeming the bond** of EUR 22 million through selected disposals during 2025
- Complete the **de-listing of Baltic Horizon Fund SDRs** on Nasdaq Stockholm

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