

East Capital Real Estate acquires Rimi Baltic Distribution Center – the largest Real Estate transaction in the Baltics for a logistics facility during 2023

East Capital Real Estate fund IV and Rimi Baltic, a part of ICA Gruppen, enter into an agreement whereby East Capital Real Estate acquires the modern 94,000 sq metres logistical and office center Rimi Baltic Distribution Center. This acquisition is 2023's largest real estate transaction in Latvia and the largest in the Baltics for a logistics facility. The purchase price is on the 1 billion SEK level.

Rimi Baltic Distribution Center is a 94,000 sq metres modern structure in a prime intracity location in the Latvian capital city of Riga. The facility was built and owned by Rimi Baltic, a part of ICA Gruppen, and is one of the largest retailers in the Baltic area. This facility acts today as the core for Rimi's pan-Baltic operations and acts as both the regional head office and distribution center. The building itself is located on land that is approximately 17 hectares offering good accessibility by public transportation, car or truck. It has spacious parking areas as well as excellent connectivity to Riga's ring road. Rimi Baltic will remain the sole tenant and has signed a 15-year lease agreement with East Capital Real Estate.

"We are very pleased with the acquisition of this primely located modern facility and to enter into this partnership with Rimi Baltic and ICA Gruppen as a tenant. The property has a top location from both logistics and workplace perspectives. The local area has undergone a transformation over the past few years and is set to continue to develop as a mixed used area. A lot of new residential housing has been built with more in the pipeline and the establishment of a new Ikea department store and Saga shopping center has added to the area's attractiveness. The location together with the long-term lease with Rimi Baltic makes this property a perfect fit for East Capital Real Estate fund IV. The acquisition also further adds to East Capital Real Estates' position as one of the top providers of modern logistics facilities in the Baltics," says **Albin Rosengren**, Partner and Head of Real Estate, East Capital Group.

In 2020 the property underwent a full renovation and significant expansion. Its energy classification was improved and, in 2024, a 2-megawatt solar park project for the rooftop has been commissioned which will further enhance the structure's sustainability profile and alignment.

"We are pleased about the transaction and look forward to a good long-term cooperation with East Capital Group. Importantly, the transaction also frees up capital to reduce the net debt for ICA Gruppen, the owner of Rimi Baltic. Rimi Baltic continues stable logistics operations in the Deglava distribution center and central office. I am delighted that, through the 15-year lease, we are ready to maintain our efficient logistics operations to support our Rimi Baltic stores in a modern and sustainable workplace for the long term," says Rimi Baltic CEO, **Giedrius Bandzevičius**.

The transaction is financed by Swedbank and the process was advised by VILGERTS law firm, Ernst & Young and Industry Service Partner on the buyer's side and SORAINEN law firm on the seller's side.

East Capital Real Estate has been operating in the Baltics and Central Europe since 2005 and is a leading property owner and developer in the region. The acquisition of Rimi Baltic Distribution Center is East Capital Real Estate's largest transaction to date and the 9th investment for the East Capital Real Estate fund IV. *"The sheer size of our growing real estate portfolio of well-located and modern properties with a focus on sustainability is something we see offers a competitive advantage to our tenants and ultimately a better return to our fund investors,"* says **Albin Rosengren**, Partner and Head of Real Estate, East Capital Group.

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Jevgenijs Ivanovs, Head of the Corporate Customer Division and member of the Board, Swedbank Latvia notes, *"It is a real pleasure to be a partner of "East Capital Real Estate", a company that continues to invest in Latvia, becoming the owner of one of the most modern and largest warehouses in the Baltics. Our common concern for the environment, moving towards the goal of obtaining ESG (BREEAM or LEED) certification for this building, confirms that the introduction of sustainable and energy-efficient solutions. is now becoming an industry standard. This benefits not only the environment and developers, but also tenants – in this case, ICA Gruppen/Rimi Baltic. We are pleased to cooperate with two such strong industry players in the Baltic region"*.

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About East Capital Real Estate

East Capital Real Estate is a leading real estate manager that focuses on commercial real estate investments the Baltics and Central Europe, primarily in the office, logistics and retail segments. We manage three funds and one investment mandate, with a total investment value of EUR 580 million, distributed across 23 properties with a lettable area of 450,000 square metres.

East Capital Real Estate is part of East Capital Group – a global asset manager based in Sweden since 1997. We offer a range of investment solutions within equities, fixed income securities, real estate and alternatives. The essence of our business is not only to find attractive investment opportunities, but also to work to drive positive change, influencing industries around the world to become more sustainable. We have a broad range of international investors including leading institutions, companies and private individuals.

For further information, please visit www.eastcapitalrealestate.com

Important information:

Past performance is no guarantee for future performance. Fund units may go up or down in value up and may be affected by changes in exchange rates. Investors may not get back the amount invested. Full information such as the prospectus, key information documents, articles of incorporation and annual reports in English, can be obtained on our websites www.eastcapital.com, www.espiria.se, www.adrigo.se, www.eastcapitalrealestate.com, from all the local representatives, information agents, or from our distributors. Please refer to the prospectus and key information document before making any final investment decisions.