ANNUAL REPORT
(Translation of the Estonian original)

Beginning of the financial year:	1 January 2013
End of the financial year:	31 December 2013

Business name:	Northern Horizon Capital AS
Commercial Registry no:	11025345

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This version of the report is a translation from the original, which was prepared in Estonian.

All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of the report takes precedence over this translation.

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Management report

Northern Horizon Capital AS (former BPTAM Estonia AS) is an entity established on 24 March 2004 for the management of real estate and real estate investments. The founder and the parent of Northern Horizon Capital AS is Northern Horizon Capital A/S (former Baltic Property Trust Asset Management A/S) registered in the Kingdom of Denmark. Northern Horizon Capital AS is a management company in BPT Baltic Opportunity Fund.

In 2013, the Company's revenue amounted to EUR 350,313 (2012: EUR 327,731) and the net profit to EUR 354,727 (2012: EUR 380,669).

As at 31 December 2013, the Company employed 1 employee (2012: 1 employee) whose wages and salaries totalled EUR 68,217 (2012: EUR 40,584). No remuneration was paid to the members of the Management Board in 2013 as well as in 2012.

The Supervisory Board consists of three members who received no remuneration.

At 14.10.2009, the Estonian Financial Supervision Authority granted Northern Horizon Capital AS an activity license of a fund management company and the company is continuing its operations as a licensed fund management company under the supervision of the Estonian Financial Supervision Authority to this day.

In 2014, Northern Horizon Capital AS will continue its activities in the field of investment management and plans to increase volume of assets under the Company's management.

Key financial ratios:

	2013	2012
Current ratio	22.77	23.82
Cash ratio	3.52	3.88
Net profit margin	101.26%	116.15%
ROA	13.23%	16.23%
ROE	13.42%	16.73%
Debt ratio	1.40%	1.43%
Debt-to-equity ratio	1.42%	1.45%

Formulas:
Current ratio = current assets/ short-term liabilities
Net profit margin = net profit/ revenue*100
Cash ratio = cash/ short-term liabilities
ROA = net profit/ average of total assets*100
ROE = net profit/ average of equity *100
Debt ratio = total liabilities/ total liabilities and equity*100
Debt-to-equity ratio = total liabilities / equity*100

Financial statements

Balance sheet

(in EUR)

	31.12.2013	31.12.2012	Note
Assets			
Current assets			
Cash	140,740	138,760	2
Receivables and prepayments	769,493	713,721	3
Total current assets	**910,233**	**852,481**	
Non-current assets			
Receivables and prepayments	1,949,004	1,647,233	3
Property, plant and equipment	1,319	1,922	6
Total non-current assets	**1,950,323**	**1,649,155**	
Total assets	**2,860,556**	**2,501,636**	
Liabilities and equity			
Liabilities			
Current liabilities			
Payables and prepayments	39,981	35,788	7
Total current liabilities	**39,981**	**35,788**	
Total liabilities	**39,981**	**35,788**	
Equity			
Share capital at nominal value	125,000	125,000	9
Statutory reserve capital	12,500	12,500	
Retained earnings (accumulated losses)	2,328,348	1,947,679	
Net profit (loss) for the financial year	354,727	380,669	
Total equity	**2,820,575**	**2,465,848**	
Total liabilities and equity	**2,860,556**	**2,501,636**	

Income statement
(In EUR)

	2013	2012	Note
Revenue	350,313	327,731	10
Cost of goods and services sold	-117,021	-102,922	11
Gross profit (loss)	**233,292**	**224,809**	
Marketing expenses	-3,450	-1,515	12
Administrative expenses	-8,818	-7,557	13
Other expenses	0	37,379	16
Operating profit (loss)	**221,024**	**253,116**	
Interest expenses	0	-11,085	
Other finance income and costs	133,703	138,638	15
Profit (loss) before income tax	**354,727**	**380,669**	
Profit (loss) for the financial year	**354,727**	**380,669**	

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Cash flow statement
(In EUR)

	2013	2012	Note
Cash flows from operating activities			
Operating profit (loss)	221,024	253,116	
Adjustments			
Depreciation, amortisation and impairment loss	603	210	6
Other adjustments	0	-37,379	16
Total adjustments	**603**	**-37,169**	
Change in receivables and prepayments related to operating activities	104,356	-70,413	3
Change in payables and prepayments related to operating activities	5,975	-68,099	7
Total cash flows from operating activities	**331,958**	**77,435**	
Cash flows from investing activities			
Purchase of property, plant and equipment and intangible assets	0	-2,132	6
Loans granted	-330,000	0	5
Interest received	22	42	15
Total cash flows from investing activities	**-329,978**	**-2,090**	
Total cash flows	**1,980**	**75,345**	
Cash and cash equivalents at the beginning of the year	138,760	63,415	2
Change in cash and cash equivalents	**1,980**	**75,345**	
Cash and cash equivalents at the end of the year	140,740	138,760	2

Statement of changes in equity

(In EUR)

	Share capital	Statutory reserve capital	Retained earnings (accumulated losses)	Total
31.12.2011	125,000	256	1,959,923	2,085,179
Net profit (loss) for the financial year	0	0	380,669	380,669
Other changes in equity	0	12,244	-12,244	0
31.12.2012	125,000	12,500	2,328,348	2,465,848
Net profit (loss) for the financial year	0	0	354,727	354,727
31.12.2013	125,000	12,500	2,683,075	2,820,575

Additional information about share capital is disclosed in Note 9.

Notes to the financial statements

Note 1 Accounting principles

General information

The 2013 financial statements of Northern Horizon Capital AS have been prepared in accordance with the accounting principles generally accepted in Estonia and under the historical cost convention, except as disclosed in the accounting policies below. The accounting principles generally accepted in Estonia are prescribed by the Accounting Act and supplemented by the guidelines issued by the Accounting Standards Board.

Accounting principles or information presentation changes

On 1 January 2013, new accounting standard board guidelines became effective and became mandatory for the company from 1 January 2013. The application of new guidelines did not cause material changes to existing accounting principles and did not impact financial results of the company. The presentation and information disclosures have been conformed to the new requirements.

Cash

In the cash flow statement, cash and cash equivalents include cash, bank account balances (except for overdraft), term deposits with original maturities of three months or less as well as other investments in money market funds and other highly liquid funds that invest in instruments which individually meet the definition of cash and cash equivalents. Overdraft is included within short-term borrowings in the balance sheet.

Foreign currency transactions and financial assets and liabilities denoted in foreign currency

All other currencies apart from the functional currency - the euro - are considered as foreign currencies. Foreign currency transactions are recorded based on the foreign currency exchange rates of the European Central Bank prevailing at the transaction date.

Monetary assets and liabilities (receivables and loans payable in cash) are translated into the functional currency based on the foreign currency exchange rates of the European Central Bank prevailing at the balance sheet date.

Foreign exchange gains and losses resulting from translation are recorded in the income statement of the reporting period. Non-monetary assets and liabilities that are not measured using the fair value method (e.g. prepayments, inventories valued at cost, property, plant and equipment and intangible assets) are not translated at the balance sheet date, but are recorded based on the European Central Bank exchange rates prevailing at the transaction date.

Receivables and prepayments

Short-term receivables generated in the ordinary course of business are classified as trade receivables. Trade receivables are carried at amortised cost (i.e. original invoice amount less repayments and any impairment allowances).

Impairment of receivables is recognised when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. Evidence of potential impairment includes the bankruptcy or major financial difficulties of the debtor and non-adherence to payment dates. The impairment of the receivables that are individually significant (i.e. need for a write-down) is assessed individually for each customer, based on the present value of expected future collectible amounts. Receivables that are not individually significant or for which no objective evidence of impairment exists, are collectively assessed for impairment using previous years' experience on uncollectible receivables. The amount of the impairment loss is the difference between the carrying amounts of receivables and the present value of expected future cash flows discounted at the effective interest rate.

The carrying amount of receivables is reduced by the amount of the impairment loss of doubtful receivables and the impairment loss is recognised in profit or loss within Administrative expenses. If a receivable is deemed irrecoverable, the receivable and the respective allowance are taken off the balance sheet. The collection of the receivables that have previously been written down is accounted for as a reversal of the cost of doubtful receivables.

All other receivables (accrued income, loans granted and other short and long-term receivables), except for the receivables acquired for the purpose of selling, are carried at amortised cost.

The amortised cost of short-term receivables normally equals their original invoice amount less collections and allowance made for impairment of these receivables; therefore short-term receivables are carried in the balance sheet at the collectible amount. For calculating the amortised cost of long-term receivables, they are initially recognised at the fair value of the consideration receivable and in subsequent periods, interest income is calculated on the receivable using the effective interest rate method.

Property, plant and equipment and intangible assets

Property, plant and equipment are assets used in the operations of the Company with a useful life of over one year.

An item of property, plant and equipment is initially recognised at cost, which consists of the purchase price (including custom duties and other non-refundable taxes) and other costs directly related to the acquisition that are necessary for bringing the asset to its operating condition and location. An item of property, plant and equipment is carried in the balance sheet at cost less any accumulated depreciation and any accumulated impairment losses.

The straight-line method is used for determination of depreciation. The depreciation rates are set separately for each item of property, plant and equipment depending on its useful life. For assets with significant residual value, only the excess of the residual value over cost is depreciated over the useful life of the asset.

If an item of property, plant and equipment consists of identifiable components with different useful lives, these components are recognised as separate property, plant and equipment items and separate depreciation rates are also set for them depending on their estimated useful lives.

The ranges of depreciation rates for groups of property, plant and equipment are as follows:

Machinery and equipment:	20- 33%
Other property, plant and equipment:	30%

Depreciation of an asset begins when the asset is available for use for the purpose intended by management and is ceased when the residual value exceeds the carrying amount or the asset is completely removed from use.

At each balance sheet date, the depreciation rates, the depreciation method and the residual value are reviewed. Where an asset's carrying amount is greater than its estimated recoverable amount (higher of an asset's net selling price and its value in use), it is written down immediately to its recoverable amount.

Items of property, plant and equipment are derecognised when the asset is transferred or when no future economic benefits are expected from the use or disposal of the asset. Gains or losses arising from derecognition of items of property, plant and equipment are included either within other operating income or other operating expenses in the income statement.

Minimum amount for recognition of non-current assets: EUR 192

Financial liabilities

Financial liabilities (trade payables, loans granted, accrued expenses and other current and non-current liabilities) are initially recognised at cost, including all costs directly attributable to the acquisition. Financial liabilities are subsequently measured at amortised cost.

The amortised cost of current financial liabilities normally equals their nominal value; therefore current financial liabilities are stated in the balance sheet at their redemption value. For calculating the amortised cost of non-current financial liabilities, they are initially recognised at the fair value of the consideration received (less any transaction costs) and in subsequent periods, interest expense is calculated on the liability using the effective interest rate method.

A financial liability is classified as current when it is due to be settled within 12 months after the balance sheet date or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date. Borrowings due to be settled within 12 months after the balance sheet date but that are refinanced as long-term after the balance sheet date but before the financial statements are authorised for issue are recognised as current liabilities.

Borrowings that the lender has the right to recall at the balance sheet date as a consequence of a breach of contractual terms are also recognised as current liabilities.

Statutory reserve capital

Statutory reserve capital is formed to comply with the requirements of the Commercial Code. Reserve capital is formed from annual net profit allocations. During each financial year, at least one-twentieth of the net profit shall be entered in reserve capital, until reserve capital reaches one-tenth of share capital. Reserve capital may be used to cover a loss, or to increase share capital. Payments shall not be made to shareholders from reserve capital.

Revenue

Revenue is recognised at the consideration received or receivable taking into account all discounts and rebates granted.

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Revenue from rendering of services is recorded upon rendering of the service.

Taxation

According to the Income Tax Act, the annual profit earned by entities is not taxed in Estonia. Corporate income tax is paid on dividends, fringe benefits, gifts, donations, costs of entertaining guests, non-business related disbursements and adjustments of the transfer price.

From 1 January 2008, the tax rate on the net dividends paid out of retained earnings is 21/79 (in 2007: 22/78). In certain circumstances, it is possible to distribute dividends without any additional income tax expense.

The corporate income tax arising from the payment of dividends is recognised as a liability and an income tax expense in the period in which dividends are declared, regardless of the period for which the dividends are paid or the actual payment date.

An income tax liability is due at the 10th day of the month following the payment of dividends.

Due to the nature of the taxation system, the entities registered in Estonia do not have any differences between the tax bases of assets and their carrying amounts and hence, no deferred income tax assets and liabilities arise. A contingent income tax liability which would arise due the payment of dividends is not recognised in the balance sheet. The maximum income tax liability which would accompany the distribution of Company's retained earnings is disclosed in the notes to the financial statements.

Related parties

In preparing the financial statements of Northern Horizon Capital AS, the following entities have been considered as related parties:

a. owners (parent and the persons controlling or having significant influence over the parent);
b. other entities in the same consolidation group (incl. fellow subsidiaries);
c. management and supervisory boards;
d. close relatives of the persons described above and the entities under their control.

Note 2 Cash
(in EUR)

	31.12.2013	31.12.2012
Current account	140,740	138,760
Total cash	**140,740**	**138,760**

Note 3 Receivables and prepayments
(in EUR)

	31.12.2013	Division by due date			Note
		due in 12 months	due between 1-5 years	due after 5 years	
Trade receivables	87,906	87,906	0	0	
Accounts receivable	87,906	87,906	0	0	16
Prepaid and deferred taxes	337	337	0	0	4
Other receivables	2,624,080	675,076	1,949,004	0	5
Loan receivables	2,211,743	262,739	1,949,004	0	16
Interest receivables	374,534	374,534	0	0	16
Accrued income	37,803	37,803	0	0	16
Prepayments	6,174	6,174	0	0	
Prepaid expenses	4,540	4,540	0	0	
Other prepayments	1,634	1,634	0	0	
Total receivables and prepayments	**2,718,497**	**769,493**	**1,949,004**	**0**	

	31.12.2012	Division by due date			Note
		due in 12 months	due between 1-5 years	due after 5 years	
Trade receivables	108,340	108,340	0	0	
Accounts receivable	108,340	108,340	0	0	16
Prepaid and deferred taxes	2,571	2,571	0	0	4
Other receivables	2,183,990	586,343	1,597,647	0	5
Loan receivables	1,880,563	282,916	1,597,647	0	16
Interest receivables	243,816	243,816	0	0	16
Accrued income	59,611	59,611	0	0	16
Prepayments	3,405	3,405	0	0	
Other prepayments	3,405	3,405	0	0	
Other accounts receivable	62,648	13,062	49,586	0	
Total receivables and prepayments	**2,360,954**	**713,721**	**1,647,233**	**0**	

Other accounts receivable as at 31.12.2012 include long-term receivable from the sale of a business operation to BPT Real Estate AS in the amount of EUR 49,586. The receivable was discounted with the interest rate of an average 5-year loan, which according to the homepage of the Bank of Estonia was 4.28% at the time of conclusion of the contract. The repayment date was 01.01.2017. BPT Real Estate AS paid the amount early in advantage in 2013.

Note 4 Prepaid taxes and tax liabilities

(in EUR)

	31.12.2013		31.12.2012	
	Prepayment	Tax liabilities	Prepayment	Tax liabilities
Corporate income tax	0	10	0	0
Value added tax	337	0	2,571	0
Personal income tax	0	695	0	439
Social security tax	0	1,192	0	774
Contributions to mandatory funded pension	0	72	0	47
Unemployment insurance tax	0	108	0	98
Total prepaid taxes and tax liabilities	**337**	**2,077**	**2,571**	**1,358**

Information on tax balances is also disclosed in Notes 3 and 7.

The tax authorities may at any time inspect the books and records within 5 years subsequent to the reported tax year, and may impose additional tax assessments and penalties.

The Company's management is not aware of any circumstances which may give rise to a potential material liability in this respect.

Note 5 Other receivables

(in EUR)

	31.12.2013	Division by due date			Interest rate	Currency	Termination date	Note
		due in 12 months	due between 1-5 years	due after 5 years				
Loan receivables	2,211,743	262,739	1,949,004	0				
Loan granted to parent company	262,739	262,739	0	0	5%	EUR	30-day prior notice	16
Loan granted to parent company	1,949,004	0	1,949,004	0	5%	EUR	31.12.2015	16
Interest receivables	374,534	374,534	0	0				
Interest receivables from parent company	374,534	374,534	0	0				16
Accrued income	37,803	37,803	0	0				16
Total other receivables	**2,624,080**	**675,076**	**1,949,004**	**0**				

	31.12.2012	Division by due date			Interest rate	Currency	Termination date	Note
		due in 12 months	due between 1-5 years	due after 5 years				
Loan receivables	1,880,563	282,916	1,597,647	0				
Loan granted to parent company	262,740	262,740	0	0	6.5%	EUR	30-day prior notice	16
Loan granted to parent company	20,176	20,176	0	0	2.5% + 12m euribor	DKK	29.12.2012	16
Loan granted to parent company	1,597,647	0	1,597,647	0	8%	EUR	31.12.2015	16
Interest receivables	243,816	243,816	0	0				
Interest receivables from parent company	243,816	243,816	0	0				16

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Accrued income	59,611	59,611	0	0				16
Total other receivables	**2,183,990**	**586,343**	**1,597,647**	**0**				

Note 6 Property, plant and equipment
(in EUR)

				Total
	Other machinery and equipment	**Machinery and equipment**	**Other property, plant and equipment**	
31.12.2011				
Cost	38,765	38,765	35,818	74,583
Accumulated depreciation	-30,684	-30,684	-32,804	-63,488
Carrying amount	8,081	8,081	3,014	11,095
Additions and improvements	0	0	2,132	2,132
Depreciation charge	0	0	-210	-210
Other changes	-8,081	-8,081	-3,014	-11,095
31.12.2012				
Cost	0	0	2,132	2,132
Accumulated depreciation	0	0	-210	-210
Carrying amount	0	0	1,922	1,922
Depreciation charge	0	0	-603	-603
31.12.2013				
Cost	0	0	2,132	2,132
Accumulated depreciation	0	0	-813	-813
Carrying amount	0	0	1,319	1,319

Property, plant and equipment sold at the sales price

	2013	**2012**
Machinery and equipment	0	8,081
Other machinery and equipment	0	8,081
Other property, plant and equipment	0	3,014
Total	**0**	**11,095**

Note 7 Payables and prepayments

(in EUR)

	31.12.2013	Division by due date			Note
		due in 12 months	due between 1-5 years	due after 5 years	
Trade payables	4,658	4,658	0	0	
Tax payable	2,077	2,077	0	0	4
Other payables	33,246	33,246	0	0	
Other accrued expenses	33,246	33,246	0	0	
Total payables and prepayments	39,981	39,981	0	0	

	31.12.2012	Division by due date			Note
		due in 12 months	due between 1-5 years	due after 5 years	
Trade payables	16,389	16,389	0	0	
Payables to employees	8,869	8,869	0	0	
Tax payable	1,358	1,358	0	0	4
Other payables	9,172	9,172	0	0	
Other accrued expenses	9,172	9,172	0	0	
Total payables and prepayments	**35,788**	**35,788**	**0**	**0**	

As at 31.12.2013, trade payables include payables to related parties in the amount of EUR 9,466 (31.12.2012: EUR 194), see Note 16.

Note 8 Contingent liabilities and assets

(in EUR)

	31.12.2013	31.12.2012
Contingent liabilities		
Maximum potential dividend distributable	2,119,619	1,839,395
Contingent income tax liability associated with dividends	563,446	488,953
Total contingent liabilities	**2,683,075**	**2,328,348**

The calculation of the maximum potential income tax liability is based on the assumption that the sum of distributable net dividends and the accompanying income tax on payments may not exceed distributable profit as at 31.12.2013.

Note 9 Share capital

(in EUR)

	31.12.2013	31.12.2012
Share capital	125,000	125,000
Number of shares (pcs)	12,500	12,500
Nominal value of shares	10	10

Note 10 Revenue

(in EUR)

	2013	2012	Note
The revenue by geographical region			
Revenue from EU countries			
Estonia	350,313	327,731	
Total revenue from EU countries	**350,313**	**327,731**	
Total revenue	**350,313**	**327,731**	
The revenue by operating activity			
Other activities related to real estate management	0	1,436	
Fund management	350,313	326,295	16
Total revenue	**350,313**	**327,731**	

Note 11 Cost of goods and services sold

(in EUR)

	2013	2012	Note
Transportation costs	283	71	
Rental and lease expenses	3,994	4,292	
Miscellaneous office expenses	6,348	5,965	
Business trip expenses	8,327	12,756	
Training expenses	2,366	750	
Staff costs	68,217	40,584	14
Depreciation and amortisation cost	603	210	6
Legal and other consultancy costs	9,397	19,338	
Other	17,486	18,956	
Total cost of goods and services sold	**117,021**	**102,922**	

Other expenses include expenses related to the fund management in the amount of EUR 11,151 (2012: EUR 9,188).

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Note 12 Marketing expenses

(in EUR)

	2013	2012
Representation costs	1,561	345
Other marketing expenses	1,889	1,170
Total marketing expenses	**3,450**	**1,515**

Note 13 Administrative expenses

(in EUR)

	2013	2012
Other	464	0
Legal and other consultancy costs	8,354	7,557
Total administrative expenses	**8,818**	**7,557**

Note 14 Staff costs

(in EUR)

	2013	2012	Note
Wages and salaries	50,217	29,200	
Social tax	17,067	10,046	
Employee insurance	266	219	
Other	667	1,119	
Total staff costs	**68,217**	**40,584**	11
Average number of employees in full-time equivalent units	1	1	

Note 15 Other finance income and costs

(in EUR)

	2013	2012	Note
Interest income from loans	133,681	136,560	16
Interest income from deposits	22	43	
Other interest income	0	2,035	
Total finance income and costs	**133,703**	**138,638**	

Note 16 Related parties

(in EUR)

Parent company of the accounting entity	Northern Horizon Capital A/S
Country of registration of the parent company of the accounting entity	Denmark

Balances with related parties by groups

	31.12.2013		31.12.2012	
	Receivables	**Payables**	**Receivables**	**Payables**
Parent company	2,586,227	0	2,124,379	0
Other consolidation group entities	0	7,441	74,022	194
Members of the management and supervisory boards and private persons with significant shareholding and companies under their control or significant influence	125,709	2,025	143,515	0

2013	Purchases	Sales	Loans granted
Parent company	1,837	0	330,000
Other consolidation group entities	7,965	0	0
Members of the management and supervisory boards and private persons with significant shareholding and companies under their control or significant influence	0	350,313	0

2012	Purchases	Sales	Loans granted
Parent company	0	0	120,647
Members of the management and supervisory boards and private persons with significant shareholding and companies under their control or significant influence	9,593	326,295	0

Northern Horizon Capital AS has sold fund management services (these transactions are reflected in the table above under row "Members of the management and supervisory boards and private persons with significant shareholding and companies under their control or significant influence") and other services, and purchased IT, human recourse and consultation services from related parties. Interest income from loans to parent company in 2013 totalled EUR 133,681 (2012: EUR 136,560).

No impairment losses have been recognised for receivables from related parties in 2013 and 2012.

In December 2011, a fellow subsidiary BPT Real Estate AS was established. At 01.01.2012, Northern Horizon Capital AS sold its real estate related business to BPT Real Estate AS. The sales price of the total business operation (included the business contracts of real estate related assets, liabilities, customer base, staff, etc.) was EUR 58,636. The funds for the sale of the business operation were collected in 2013. See Note 3.

Other operating income in 2012 includes the difference between the carrying amount of sold assets and the purchase price in the amount of EUR 37,379.

The members of Management and Supervisory Boards received no remuneration or other significant benefits from Northern Horizon Capital AS. Upon premature termination of the contract for services entered into with the members of the Management and Supervisory Board, the Company is not required to pay termination benefits.

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INDEPENDENT AUDITOR'S REPORT

(Translation of the Estonian original)*

To the Shareholder of Northern Horizon Capital AS (former name BPTAM Estonia AS)

We have audited the accompanying financial statements of Northern Horizon Capital AS (former name BPTAM Estonia AS) (the Company), which comprise the balance sheet as of 31 December 2013 and the income statement, statement of changes in equity and cash flow statement for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information.

Management Board's Responsibility for the Financial Statements

Management Board is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in Estonia, and for such internal control as the Management Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of 31 December 2013, and its financial performance and its cash flows for the year then ended in accordance with accounting principles generally accepted in Estonia.

AS PricewaterhouseCoopers

Tiit Raimla
Auditor's Certificate No. 287

Jüri Koltsov
Auditor's Certificate No. 623

30 April 2014

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* *This version of our report is a translation from the original, which was prepared in Estonian. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.*

Signatures of the Management Board to the 2013 Annual Report

We hereby confirm the correctness of the data presented in the annual report of Northern Horizon Capital AS:

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Indrek Hääl

Member of the Management Board

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Algirdas Jonas Vaitiekūnas

Member of the Management Board