

NORDIC ISSUING AB's
GENERAL TERMS AND CONDITIONS FOR SWEDISH DEPOSITORY RECEIPTS
regarding fund units in
BALTIC HORIZON FUND

28 September 2022

Northern Horizon Capital AS (the "**Management Company**"), as the fund manager of Baltic Horizon Fund (the "**Fund**") has entered into a custodian agreement with Nordic Issuing AB ("**Nordic Issuing**") whereby Nordic Issuing, on behalf of owners of fund units, will hold fund units issued from time to time by the Management Company on behalf of the Fund (the "**Fund Units**", ISIN: EE3500110244) in a depository account and issue one Swedish depository receipt (the "**SDRs**", Swedish ISIN: SE0018689820 for each Fund Unit deposited in accordance with these general terms and conditions (the "**Terms and Conditions**"). The SDRs are registered with Euroclear Sweden AB ("**Euroclear**") and listed on Nasdaq Stockholm AB ("**Nasdaq Stockholm**").

1. DEPOSIT OF FUND UNITS

- 1.1. Owners of the Fund Units may convert the Fund Units into SDRs by giving Nordic Issuing an order to this effect. In such case, Fund Units will be deposited on account of the depository receipt holder with Nordic Issuing or with a custodian appointed by Nordic Issuing on account of Nordic Issuing, in which case Nordic Issuing or the custodian appointed by Nordic Issuing shall be registered as the nominee holder of the Fund Units in Nasdaq CSD (the "**Fund Register**"). Depository receipt holder means an owner of a depository receipt or such owner's nominee ("**SDR Holder**").
- 1.2. The SDRs shall be registered in book-entry in a CSD-Register maintained by Euroclear (the "**Euroclear Register**") in accordance with the Swedish Central Securities Depositories and Financial Instruments Accounts Act (*Sw. Lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*). No certificates representing the SDRs will be issued. Nordic Issuing will not accept deposit of fractions of Fund Units.

2. DEPOSIT AND WITHDRAWAL OF FUND UNITS

- 2.1. On the condition that no impediment exists according to the applicable laws or regulatory decrees of Sweden, Estonia or any other country, Nordic Issuing shall, upon request by the SDR Holder, without delay ensure that the SDR Holder is registered as owner in the Fund Register as set out in section 1.1 above for the number of Fund Units equivalent to the SDR Holders' holding of SDRs. Such registration shall occur as soon as the relevant SDRs have been deregistered from the Euroclear Register.
- 2.2. On the condition that no impediment exists according to the applicable laws or regulatory decrees of Sweden, Estonia or any other country, and provided that payment has been made of any taxes and fees which may occur in connection with deposit of Fund Units, Fund Units may be transferred to Nordic Issuing for deposition in accordance with these Terms and Conditions together with the required information to Nordic Issuing with respect to name, address and account with Euroclear in which the SDRs are to be registered (the

“**VPC Account**”) together with other information and documentation required under the laws of Sweden, Estonia or any other applicable legislation.

- 2.3. An SDR Holder may convert the SDRs into Fund Units by giving Nordic Issuing an order to this effect. Nordic Issuing shall always provide the Management Company with information and instructions concerning such conversion. Conversion pursuant to this section is conditional upon the fact that all obligations of the SDR Holder in respect of the SDRs to be converted have been fulfilled and no settlement is pending. Conversion of the SDRs is conditional upon the fact that the SDRs are free of encumbrances, pledges, collateral stand other legal obstacles.
- 2.4. Nordic Issuing has the right to receive compensation in advance from the SDR Holders for fees and expenses that arise in connection with withdrawal and deposit of Fund Units and conversion of SDRs according to sections 2.1, 2.2 and 2.3 above in accordance with Nordic Issuing’s applicable price list for such transactions.
- 2.5. Deposit and withdrawal of Fund Units pursuant to this section 2 is not allowed during the period decided by Nordic Issuing in consultation with the Management Company as informed to the SDR Holders. Such periods may include, but are not limited to, corporate events such as general meetings of holders of Fund Units and distribution of proceeds from Fund to the Investors.

3. TRANSFER AND PLEDGING OF FUND UNITS, ETC.

Deposited Fund Units cannot be transferred or pledged in any other way than by transfer and pledging of the SDRs. Transfer and pledging of SDRs shall take place in accordance with applicable Swedish legislation. The authority to transfer or pledge SDRs, as well as deciding who shall be deemed to be the rightful owner or pledgee of SDRs, shall be determined in accordance with the rules in the Swedish Central Securities Depositories and Financial Instruments Accounts Act.

4. RIGHTS OF SDR HOLDERS

Nordic Issuing and the Management Company shall establish arrangements, to the extent appropriate and practically possible and in accordance with applicable laws, to ensure that the SDR Holders have the opportunity to exercise such rights with respect to the Fund as would be exercisable by such SDR Holders if they had owned the Fund Units directly and not SDRs.

5. RECORD DATE

Nordic Issuing shall in consultation with the Management Company and Euroclear determine a date (the “**Record Date**”), in accordance with the rules of the Fund (the “**Fund Rules**”), applicable laws, to be applied by Nordic Issuing for determining which SDR Holders in relation to Nordic Issuing are entitled to:

- (i) receive dividends in the form of cash, rights or other property;
- (ii) participate in the proceedings of and to vote at general meetings of holders of Fund Units (“**General Meetings**”);

- (iii) subscribe for Fund Units or other rights or securities in connection with offerings; and
- (iv) otherwise exercise the rights that holders of Fund Units normally are entitled to.

It is the Management Company's and Nordic Issuing's intention that the Record Date, insofar as it is appropriate, practical possible and in accordance with the Fund Rules and applicable law, shall correspond to the record date that is applied in relation to holders of Fund Units.

6. DIVIDENDS

- 6.1. Any dividend received by Nordic Issuing in its capacity as holder of Fund Units shall be redistributed by Nordic Issuing in accordance with the provisions of this section 6.
- 6.2. Dividends will be paid to SDR Holders who, on the Record Date, are registered in the Euroclear Register as a holder of SDR or a right holder. Dividends will be paid in Swedish kronor (SEK).
- 6.3. Nordic Issuing shall, in consultation with the Management Company, set a date for payment of dividends to SDR Holders ("**Payment Date**"). If Nordic Issuing has received dividends in its capacity as holder of Fund Units in a currency other than SEK, Nordic Issuing shall, before payment to SDR Holders, arrange for exchange of the dividends received from the Company to SEK. Such exchange shall be made at the exchange rates applied by Nordic Issuing from time to time which shall be set in accordance with public market rates three (3) business days prior to Payment Date, by entering into futures contracts with delivery on such Payment Date. The final conversion will be an average of the rates achieved in each such futures contract.
- 6.4. Payment of dividends to SDR Holders and other right holders according to the Euroclear Register shall be made on the Payment Date through Euroclear's care and in accordance with rules and regulations applied by Euroclear at any given time.
- 6.5. If dividends are paid to a recipient who is not authorized to receive such dividend, Nordic Issuing shall nevertheless be considered to have fulfilled its obligations, except if Nordic Issuing was aware that the dividend was paid to someone who was not authorized to such dividend or if Nordic Issuing has not acted with the diligence which, under the circumstances, should be maintained, or if the payment cannot be invoked due to the recipient being a minor or because a trustee was appointed for the recipient and such trustee assignment includes receipt of dividends.
- 6.6. To the extent required by applicable rules and legislation, the Management Company, Nordic Issuing or Euroclear shall withhold and pay to the tax authorities of Estonia and Sweden tax payable on the dividends to the SDR Holders (including any preliminary tax on dividends for e.g. private individuals resident in Sweden or estates of such persons). In the event that the Management Company, Nordic Issuing or Euroclear, or a proxy or agent of any of them, decides that dividends in cash, Fund Units, rights or other property are subject to taxation or other public fees and shall therefore be withheld in accordance with applicable rules and legislation, the Management Company, Nordic Issuing or Euroclear, or a proxy or agent of any of them, has the right to withhold cash or dispose of all or part of such property as is economically and practically necessary to dispose in order to pay such taxes and fees. The remaining balance, after deduction of such taxes and fees, shall

be paid by Nordic Issuing to the SDR Holders who are entitled to it. SDR Holders shall be responsible for such deficiencies that may arise in connection with sales as described above.

- 6.7. Payment of dividends to SDR Holders shall be made without deduction of fees or equivalent that are attributable to the Fund, the Management Company, Nordic Issuing or Euroclear, but with deduction of preliminary tax or other tax that is withheld according to Swedish law and for any tax that may be imposed in accordance with applicable Swedish, Estonian or any other country's legal system.
- 6.8. If Nordic Issuing receives dividends in a form other than cash, Nordic Issuing shall, after consultation with the Management Company, decide on how this dividend is to be distributed to eligible SDR Holders. This can mean that the property is sold and that the sales proceeds, after deduction of sales costs and any fees and taxes, are paid to the SDR Holders.
- 6.9. If holders of Fund Units have the right to choose whether the dividend is to be paid in cash or in some other form and it is not practically possible to give SDR Holders such choice, Nordic Issuing may, on behalf of the SDR Holders, decide that the dividend shall be paid in cash.

7. DIVIDENDS IN THE FORM OF NEW FUND UNITS ETC.

- 7.1. Any person who on the Record Date is registered in the Euroclear Register as an SDR Holder or rights holder in relation to the current measure, shall be considered authorized to receive any SDRs representing new Fund Units added as a result of dividends in the form of Fund Units. If the recipient of the SDR was not authorized to receive the new SDR, the provisions in section 6.5 shall apply where applicable.
- 7.2. If the General Meeting or the Management Company resolves to issue new Fund Units, subordinated debentures, convertible debentures, warrants or other rights to holders of Fund Units, Nordic Issuing shall inform the SDR Holders of the material conditions. Such information shall be attached to the application form through which SDR Holders can instruct Nordic Issuing to subscribe for Fund Units, subordinated debentures, convertible debentures, warrants or otherwise exercise its rights. When Nordic Issuing, in accordance with an SDR Holders instructions, subscribes for and is assigned such Fund Units, subordinated debentures, convertible debentures, warrants or other rights, Nordic Issuing shall, to the extent practicable possible, ensure that corresponding registrations are carried out on respective SDR Holders VPC Account. If such registrations cannot be performed, Nordic Issuing shall ensure that the SDR Holders otherwise are ensured ownership of the relevant instruments or rights or is compensated in cash.
- 7.3. If the SDR Holder has the right to or receives a number of fractional rights or other rights that do not entitle the SDR Holder to receive an even number of Fund Units, participation in new issue of Fund Units, subscription for convertible debentures, warrants or other rights, Nordic Issuing has the right to sell such residual fractional rights, preferential rights, etc. and pay the proceeds to the SDR Holder after deduction of selling costs and any fees and taxes incurred.
- 7.4. For the avoidance of doubt, the fractions of Fund Units, if any, that emerge from dividing Fund Units are rounded to three decimal points. The following rules are applied for rounding: numbers NNN.NNN0 until NNN.NNN4 are rounded down to NNN.NNN and numbers NNN.NNN5 to NNN.NNN9 are rounded up to NNN.NN(N+1).

8. PARTICIPATION IN GENERAL MEETINGS

8.1. Nordic Issuing and the Management Company shall establish arrangements such that the SDR Holders may participate in the Fund's General Meetings and vote for the Fund Units represented by the SDRs. The Management Company shall in consultation with Nordic Issuing send notice for such General Meetings in accordance with the Fund Rules and Swedish, Estonian and other applicable laws and by publishing the announcement of the General Meeting by way of a Nasdaq Stock Exchange release. The notice shall contain:

- (i) the information included by the Management Company in the notice for the meeting; and
- (ii) instructions as to what must be observed by each SDR Holder in order to participate in the proceedings of the General Meeting or otherwise exercise his or her voting right.

Well in advance of the General Meeting, Nordic Issuing shall make arrangements so that proxies, with full power of substitution, are issued by Nordic Issuing to each SDR Holder who has announced their intention to participate in the proceedings of the General Meeting to allow each of them to represent Nordic Issuing at the General Meeting for the number of Fund Units represented by the SDRs held by such SDR Holder. Furthermore, Nordic Issuing and the Management Company shall make arrangement so that proxy forms are available to each SDR Holder who has announced their intention to participate in the proceedings of the General Meeting to allow each of them to designate a third party as attorney to represent them at the General Meeting. Proxies received by Nordic Issuing shall be submitted to the Management Company together with a list of SDR Holders to whom proxies have been issued.

8.2. Nordic Issuing undertakes to not represent Fund Units for which SDR Holders have not notified their intention to participate or vote at such General Meeting either personally or by proxy.

9. INFORMATION TO THE SDR HOLDER

9.1. Nordic Issuing shall upon instructions of the Management Company and in the manner set forth in section 13 below provide the SDR Holders with all the information that Nordic Issuing receives from the Management Company in Nordic Issuing's capacity of holder of the Fund Units. If so requested, Nordic Issuing shall provide such information by mail to the address set forth in the Euroclear Register. The Management Company's intention is to present all information in English.

9.2. The Management Company shall, upon request from an SDR Holder, send the Fund's annual report to such SDR Holder. The Management Company shall also publish applicable stock market information in accordance with the requirements for listing on Nasdaq Stockholm.

10. LISTING OF SDRS

The Management Company will apply for the SDRs to be listed on Nasdaq Stockholm. If a decision is made to delist the SDRs, Nordic Issuing shall, upon instructions from the Management Company, inform the SDR Holders of the decision as soon as possible.

11. NORDIC ISSUING'S EXPENSES

Nordic Issuing's expenses and fees for its assignments and for Euroclear's services shall be borne by the Management Company unless otherwise expressly provided in these Terms and Conditions.

12. CHANGE OF DEPOSITORY

- 12.1. In the event the Management Company decides to appoint another securities institution as custodian in lieu of Nordic Issuing, Nordic Issuing shall transfer all its rights and obligations towards the SDR Holders according to these Terms and Conditions and deliver the Fund Units to the new depository. Change of depository shall be submitted for approval by Euroclear and may be implemented not earlier than three months after notice (regarding change of depository) has been sent by mail to the SDR Holders or an announcement to that effect was published in a Swedish daily newspaper with nationwide coverage according to section 13 below. When a change of depository is made in accordance with this section 12, SDR Holders shall be deemed to have agreed to a transfer of the rights and obligations between the SDR Holders and Nordic Issuing to the SDR Holders and the new depository.
- 12.2. Should Nordic Issuing have applied for or otherwise entered into restructuring, bankruptcy, liquidation or other similar procedure, the Management Company may in consultation with Nordic Issuing accelerate the process of changing the depository provided that this is in the best interest of all SDR Holders.

13. NOTICES

Nordic Issuing shall ensure that notices to the SDR Holders pursuant to these Terms and Conditions, either directly or indirectly, are delivered to the SDR Holders and other holders or rights who are listed in the Euroclear Register and in accordance with the routines applied by Euroclear from time to time. As an alternative to sending notices by mail, Nordic Issuing has the right to publish notices in the form of announcements in a Swedish daily newspaper with nationwide coverage, provided that the Management Company has provided its prior written consent thereto. Information shall also be provided to Nasdaq Stockholm.

14. AMENDMENTS TO THESE TERMS AND CONDITIONS

Nordic Issuing reserves the right to amend these Terms and Conditions to the extent required to make them conform to the Fund Rules, applicable Swedish or other legislation, regulatory decree or Euroclear's and Nasdaq Stockholm's respective rules and regulations. Nordic Issuing, in consultation with the Management Company, reserves the right to amend these Terms and Conditions if such amendment is appropriate or necessary for other reasons, in all cases on the condition that the rights of the SDR Holders are not adversely affected in a material manner. Nordic Issuing shall inform the SDR Holders of any amendments to these Terms and Conditions in the manner set forth in section 13.

15. INFORMATION ABOUT SDR HOLDERS (CONFIDENTIALITY)

- 15.1. Nordic Issuing reserves the right to request information from Euroclear about SDR Holders from the Euroclear Register and to provide information about the SDR Holders and their holdings of the SDR to the Management Company.
- 15.2. Nordic Issuing also reserves the right to provide information about SDR Holders to those who work with registration of the Fund Units as well as to government authorities, provided that such obligation is prescribed by applicable Swedish or foreign law, statute or regulatory decrees. SDR Holders are obliged to provide such information to Nordic Issuing upon request.
- 15.3. Nordic Issuing and the Management Company are entitled to submit to authorities any information regarding the SDR Holders and their holdings, in connection with restitution or repayment of paid taxes, to the extent this is necessary.
- 15.4. Nordic Issuing and the Management Company are entitled to submit and publish information regarding the SDR Holders to the extent required by Nasdaq Stockholm or to the extent required under applicable laws and regulations in Sweden or any other country.

16. LIMITATION OF LIABILITY

- 16.1. Unless otherwise stated in section 16.2 below, Nordic Issuing is liable for damages suffered by the SDR Holder due to negligence on the part of Nordic Issuing when performing its assignment according to these Terms and Conditions. However, Nordic Issuing shall not be liable for any indirect or consequential damage.
- 16.2. Nordic Issuing shall not be liable for any loss or damage resulting from Swedish or foreign legislation, Swedish or foreign regulatory decree, act of war, strike, boycott, lockout, blockade, acts of terrorism or other similar circumstances. The reservations regarding strike, blockade, boycott or lockout shall apply even if Nordic Issuing itself takes such action or is the object of such action.
- 16.3. If Nordic Issuing, the Fund or the Management Company is prevented from effecting payment or taking other action due to circumstances outside their control, Nordic Issuing, the Fund or the Management Company may postpone the execution of such action until the obstacle has been removed.
- 16.4. Neither Nordic Issuing, the Fund, the Management Company nor Euroclear shall be liable for losses or damages which the SDR Holders suffer due to the fact that certain dividends, rights, notices or other entitlements which accrues to holders of Fund Units cannot, due to technical, legal or other reasons beyond the control of the parties mentioned above, be distributed or otherwise transferred or provided to the SDR Holders registered in the Euroclear Register on a timely basis or at all.
- 16.5. Provided the Fund and the Management Company has acted with normal care, the Fund and the Management Company shall not be liable for any damages which may arise out of acts performed or omitted by Nordic Issuing due to negligence of Nordic Issuing.

17. TERMINATION

- 17.1. Nordic Issuing reserves the right to terminate the deposit of Fund Units according to these Terms and Conditions, by giving notice of termination to the SDR Holders pursuant to section 13 above, if:
- (i) a decision is made to cease listing SDRs on Nasdaq Stockholm or other equivalent marketplace;
 - (ii) the Fund or the Management Company decides that the Fund Units no longer are to be represented by SDRs in accordance with these Terms and Conditions;
 - (iii) Euroclear has terminated the agreement concerning registration of the SDRs;
 - (iv) the General Meeting or the Estonian Financial Supervision and Resolution Authority decides to liquidate the Fund;
 - (v) the Management Company has failed to fulfil payment of expenses and fees according to section 11 above for more than 30 days;
 - (vi) the Fund or the Management Company has materially breached its obligations vis-à-vis Nordic Issuing;
 - (vii) any of Nordic Issuing's authorisations or permits to perform any of its duties under these Terms and Conditions or the Custodian Agreement are withdrawn or limited in any way or if it otherwise becomes unlawful for Nordic Issuing to perform any of its obligations under these Terms and Conditions or the Custodian Agreement; or
 - (viii) the custodian agreement between the Management Company and Nordic Issuing is terminated and a new depository has not been retained as provided in section 12 within six months after termination.
- 17.2. If termination notice pursuant to section 17.1 is given, these Terms and Conditions continue to remain in force for a period of notice of six months from the date of the notice or from the date when the announcement was published in a Swedish daily newspaper with nationwide coverage in accordance with section 13 above, if the SDRs have not previously been delisted following a decision by Nasdaq Stockholm. The notice or announcement must include the record date when Nordic Issuing will de-register all SDRs from the Euroclear Register. Nordic Issuing shall transfer the Fund Units in accordance with instructions provided by the SDR Holder or as otherwise agreed with the SDR Holder. In the event (i) the SDR Holder has not provided a transfer instruction, (ii) it is not practically possible to transfer the Fund Units in accordance with the transfer instruction from the SDR Holder or (iii) an agreement has otherwise not been reached, Nordic Issuing is entitled to sell the underlying Fund Units. The SDR Holder shall be entitled to the sale proceeds following deduction for reasonable costs, fees and taxes. The amount shall be paid to the cash account linked to the VPC Account of each SDR Holder concerned or, in the absence of such cash account, in the form of a payment notice. No interest shall accrue on the amount.

18. GOVERNING LAW

These Terms and Conditions and the SDRs issued by Nordic Issuing shall be governed by Swedish law.

19. DISPUTES

- 19.1. Any dispute, controversy or claim arising out of or in connection with these Terms and Conditions, or the breach, termination or invalidity thereof, shall be finally settled by arbitration in accordance with the Arbitration Rules of the Arbitration Institute of the Stockholm Chamber of Commerce.
- 19.2. The seat of arbitration shall be Malmö, Sweden.
- 19.3. Arbitration proceedings conducted in accordance with these Terms and Conditions, including any decision or award, shall be kept confidential.