

INFORMATION DOCUMENT

Offering and admission to trading of up to 169,147,497 Units

Offer price EUR 0.1478 per new unit

Baltic Horizon Fund

(a closed-ended contractual investment fund registered in the Republic of Estonia)

This information document (hereinafter “**Document**” or “**Information Document**”) has been prepared in connection with the offering and listing of up to 169,147,497 new units (hereinafter “**Offering**”) of Baltic Horizon Fund (hereinafter “**Fund**” or the “**Issuer**”) to existing unitholders in accordance with Articles 1 (4) (db) and 1 (5) (ba) and Annex IX of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the “**Prospectus Regulation**”). The Offering was approved by the general meeting of Fund unitholders on 16 December 2025. This Document has been prepared for informational purposes only and does not constitute a prospectus within the meaning of Prospectus Regulation. The purpose of this information document is to provide unitholders with essential information regarding the adopted decision, its implications, the Offering, and associated risks. It has not been reviewed, scrutinized, or approved by the Estonian Financial Supervision and Resolution Authority (hereinafter the “**EFSA**”) or any other regulatory authority. This Document was submitted to the EFSA on 17 February 2026.

1. INFORMATION ABOUT THE ISSUER

The legal name of the Issuer is Baltic Horizon Fund.

The contact details of the Issuer are:

- address: Roseni 7, 10111 Tallinn, Estonia;
- telephone number: +372 674 3200.
- the LEI code of the Issuer is 5299008IKT93E4SA0G49.

The Issuer is a public closed-ended contractual investment fund registered in the Republic of Estonia with the EFSA on 23 May 2016. The Fund is registered and operates under the laws of the Republic of Estonia. It has been established for an indefinite duration and is supervised by its home Member State’s competent authority, the EFSA. The Fund units are publicly available for trading on the regulated market of Nasdaq Tallinn stock exchange.

The Fund is a real estate fund and invests directly or indirectly into real estate located in Estonia, Latvia and Lithuania, with a particular focus on capitals – Tallinn, Riga and Vilnius. The issuer generates returns to the unit-holders by investing in commercial real estate assets primarily at central and strategic locations in the Baltic capital cities. The issuer aims to hold and manage fully-developed office and retail properties with a high-quality tenant mix, low vacancy and stable cash flows.

The Issuer is managed and represented by Baltic Horizon Capital AS, address Roseni 7, 10111 Tallinn, Estonia; telephone number: +372 674 3200; LEI code 529900GDVTNNYQBUDU208 (the “**Management Company**”). The Management Company holds an alternative investment fund manager licence from the EFSA.

The website of the Fund is <https://www.baltichorizon.com/>. It includes documents related to the Fund or the Management Company, such as Key Investor Information Document (in Estonian and English), Fund rules, most recent annual reports of the Fund and the Management Company, net asset value (the “**NAV**”) of the Fund and of a unit, and other information required under the laws, regulations, or guidelines by any competent authority.

2. RESPONSIBILITY STATEMENT

The information contained in this Document has been provided by the Management Company and received from other sources identified herein. The Management Company accepts responsibility for the information contained in this Document. To the best of the knowledge and belief of the Management Company, having taken all reasonable care to ensure that such is the case, the information contained in this Document is in accordance with the facts and contains no omission likely to affect its import.

3. COMPETENT AUTHORITY

The competent authority in accordance with Article 31 of the Prospectus Regulation is the EFSA.

This document has been prepared for informational purposes only and does not constitute a prospectus within the meaning of Prospectus Regulation. It has not been reviewed, scrutinized, or approved by the EFSA or any other regulatory authority. No regulatory approval or verification of the contents of this document has been carried out.

4. COMPLIANCE STATEMENT

The Issuer confirms that, for the entire period during which its financial instruments have been admitted to trading on a regulated market, it has continuously complied with all applicable reporting and disclosure obligations under Directive 2004/109/EC (where applicable), Regulation (EU) No 596/2014 (the “**Market Abuse Regulation**”), and, where relevant, Delegated Regulation (EU) 2017/565.

5. REGULATED INFORMATION AND DISCLOSURES

Regulated information published by the Issuer pursuant to ongoing disclosure obligations, and the most recent prospectus can be obtained on the Issuer’s website at <https://www.baltichorizon.com/>.

6. CONFIRMATION ON INSIDE INFORMATION

The Fund confirms that no inside information is being withheld pursuant to Market Abuse Regulation at the time of the Offering.

7. PURPOSE & PROCEEDS

The purpose of the Offering is to strengthen the balance sheet of the Fund and reduce its leverage, ensuring long-term financial sustainability and protecting the interests of all unitholders. The Fund’s current level of debt is not sustainable over the long term, and reducing leverage is essential to maintain stability and flexibility in the current market environment.

Over the past year, the Management Company has explored options to dispose of properties in the portfolio. However, the market for trading commercial properties is extremely illiquid, particularly for larger and more complex assets. Accelerated disposals could severely impact the Fund’s equity position, while gradual disposals remain uncertain and would be detrimental due to the fixed cost base. Although individual property disposals will continue to be pursued when reasonable opportunities arise, they cannot be relied upon as the sole strategy for deleveraging. For these reasons, a capital raise through the issuance of new units offers a more predictable and effective solution.

At the extraordinary General Meeting held on 16 December 2025, unitholders approved the proposal to issue new units during the first quarter of 2026. The Offering will raise up to approximately EUR 25 million through the issuance of up to 169,147,497 new units of Baltic Horizon Fund. The New Units will be offered at EUR 0.1478 per unit, representing a 30% discount to the closing price on Nasdaq Tallinn as of 13 November 2025. This discount is intended to ensure successful placement and reflects market expectations. All existing investors recorded in the Nasdaq CSD SE Estonian branch registrar as of the end of the Nasdaq CSD SE working day preceding the first day of the offering period will be eligible to participate. Existing investors will have a pre-emptive right to subscribe for New Units in proportion to their current holdings, although they may also choose to subscribe for smaller quantities or choose not to participate at all.

Proceeds from the Offering will be used primarily to reduce the Fund’s leverage by repaying the bonds issued by the Fund (ISIN code EE3300003235, outstanding amount approximately EUR 19 million) and other excessive debt undertaken by the subsidiaries of the Issuer. In addition, part of the proceeds may be allocated to selective asset enhancement projects to maintain and improve the quality and value of the Fund’s properties. By implementing this strategy, Baltic Horizon Fund aims to secure its financial position, reduce risk, and create a more stable foundation for future growth.

8. RISKS

Any investment in the Units is subject to a number of risks. Accordingly, prior to making any investment decision, prospective investors should carefully consider all the information contained in this Document and, in particular, the risk factors described below. The Management Company considers the following risks to be material for prospective investors in the Issuer.

However, the following is not an exhaustive list or explanation of all risks that prospective investors may face when making an investment in the Units and should be used as guidance only. Additional risks and uncertainties not currently known to the Management Company, or that the Management Company currently deems immaterial, may also have an adverse effect on the Issuer’s financial condition, business, prospects and/or results of operations. In such case, the market price of the Units could decline and investors may lose all or part of their investment. Investors should consider carefully whether an investment in the Units is suitable for them in light of the information in this Document and their personal circumstances. Investors should consult a competent independent professional advisor who specializes in advising on the acquisition of fund units. The risk factors are divided into categories based on the principle that each risk factor is represented only once, in the most relevant category, despite suitability for several categories. The first risk factor of each category represents the risk most material in the opinion of the Management Company. The rest of the risk factors are not necessarily an indication of the likelihood of the risks actually materializing, of the potential significance of the risks or of the scope of any potential harm to the Issuer’s business, financial condition, results of operations and prospects.

Prospective investors should read this section in conjunction with this entire Document. This Document is not, and does not purport to be, an investment advice or an investment recommendation to acquire the Units.

Risks factors which are specific and material to the Issuer

Geo-political risk related to Russian invasion of Ukraine

The aggression of Russia in Ukraine which started in 2014, escalated in 2022 and continues to this date has fundamentally changed the security situation in Europe in general and in the Baltics in particular. This has significantly altered cross-border flows of capital and interest in investment products based on the assets held in the region. This impacts both the liquidity of the Units of the Issuer as well as of the investments held in its subsidiaries.

Furthermore, lack of inbound investments also slows down the economic growth in the market where the Issuer operates, which in turn slows down the demand for all sectors of commercial property, thus putting pressure on the rental prices and occupancy of the properties owned by the Issuer.

Exposure to macroeconomic fluctuations

Real estate industry in general and the Issuer are materially exposed to macroeconomic fluctuations. Such factors as general business cycle, GDP growth, inflation, employment, wage growth and interest rates influence demand and supply in the property market. Economic downturn could negatively affect rent rates, vacancy levels, rental yields and cost of financing which, in turn, could have an adverse effect on the Fund's value of properties, financial position and cash flows.

Further, real estate properties that the Issuer owns are all located in the Baltic states (hereinafter "**Baltics**"). The Issuer's investment strategy stipulates that all additions to the property portfolio will also be based in the Baltics. Hence, the Issuer is primarily exposed to the economic developments in Lithuania, Latvia and Estonia. However, since these economies are rather small and actively engaged in foreign trade, the Baltics are not immune to regional and global macroeconomic fluctuations. Baltic economies are closely linked with the health of the overall EU and the euro area – their main trading partner, a source of structural funds and, due to the adoption of single currency, a base for monetary policy. A slowdown in the EU may negatively affect economies of the Baltics leading to an adverse effect on the issuer's business operations.

Economic growth impacts employment which drives demand for office space. Employment and wage growth, also influenced by GDP expansion, affect retail trade – a basis for demand for retail space. Thus, GDP growth rate (as well as expectations for future growth) is an important factor in regard to formation of demand for commercial space.

According to Eurostat, expansion rates of Baltic economies retracted, after the growth caused by economic stimulus in 2021, in the course of 2024 with Estonian GDP declining -0.1%, Lithuanian GDP growing 3.0% and Latvian GDP stagnating 0.0%¹. In Estonia (Q4 2024), the largest detractor to the GDP in Estonia was the construction sector², which remains highly dependent on public sector demand and, in turn, susceptible to fluctuations in the absorption EU funding. According to OECD the employment level stands above 62% placing Estonia at the top in the ranking of EU countries (2024)³. The employment levels in Latvia and Lithuania are respectively 57% and 59% measured at the end of the same period. According to Eurostat, unemployment rate in Estonia in 2024 was 7.6%. The unemployment rates in Latvia and Lithuania in 2024 were respectively 6.9% and 7.1%.

Due to the Russian invasion of Ukraine, the near-term outlook for economic activity in euro area has turned grimmer. The economic shocks caused by Russian's invasion has set EU economy on the path of lower growth and higher inflation. According to the European Commission Economic Forecast Autumn 2025 report, real GDP change by the end of 2025 is projected to be 0.6% in Estonia, 1.0% in Latvia and 2.4% in Lithuania. According to the Economic Forecast published by the European Commission⁴, real GDP is forecasted to grow by 1.4% in 2026 and 1.5% in 2027 in the EU, while the inflation in the EU is forecasted to stabilise from 2.1% in 2026 to 2.2% in 2027. Real GDP growth in Estonia is forecasted to 2.1% in 2026 and 2.0% in 2027, in Latvia respectively to 1.7% and 1.9% and in Lithuania to 3.0% and 2.2%. The inflation in Estonia is forecast to 2.8% in 2026, 2.2% in Latvia and 2.8% in Lithuania.

The outlook remains subject to high uncertainty and the balance of risks is tilted towards adverse outcomes. The declining or slower economic growth could put pressure on vacancy leaves, rent rates and yield requirements that may negatively affect the issuer's value of properties, financial position and cash flows.

Acquisition of properties and their performance

Any decision by the Issuer to acquire a property is based on thorough evaluation and due diligence of an asset. Numerous factors that the Issuer assesses include the technical shape of a property, operating and financial performance, tenants mix, future cash flow generation, rate of return and how an asset fits the Issuer's investment strategy and existing portfolio.

¹ Eurostat. Real GDP Growth Rate: <https://ec.europa.eu/eurostat/databrowser/view/tec00115/default/table?lang=en>

² Statistics Estonia: <https://stat.ee/en/news/economy-grew-12-q4-2024>

³ OECD. Employment Rate: <https://www.oecd.org/en/data/indicators/employment-rate.html>

⁴ European Commission. Autumn 2025 Economic Forecast: https://economy-finance.ec.europa.eu/economic-forecast-and-surveys/economic-forecasts/autumn-2025-economic-forecast-shows-continued-growth-despite-challenging-environment_en#forecast-for-eu-countries

However, there is a risk that the Issuer in its examination of potential investment target has failed in the past or could fail in the future to identify and address certain important factors and associated risks.

The Issuer aims to acquire full title to each property, however in some cases the Issuer may decide to acquire property in co-ownership with third parties. Thus, situations may arise where the Issuer may be prevented from the use of land on commercially acceptable terms due to the use of land or conditions set by other co-owners. Disagreements or lack of agreements with other co-owners may restrict the Issuer to obtain relevant construction permits for reconstruction or repair the property. If the co-ownerships were to develop in a way that is disadvantageous to the issuer, this could have a negative impact on the Issuer's operation, financial positions and earnings.

There is no guarantee that cash flow projections in property appraisals will resemble actual future cash flows. Hence, newly acquired real estate assets could require unforeseen investments and/or demonstrate lower than expected performance and financial return adversely affecting the issuer's financial position and cash flows.

Tenants and rental income

Overall demand for offices remains lower than pre-pandemic levels. Class B buildings face high risk of becoming unleaseable and too costly to upgrade. The tenants tend to consolidate into premium, environmentally friendly buildings, leaving surplus for mid-tier offices that dominate the Fund's office portfolio. The vacancy rate in the Fund's buildings is very high, especially in Riga, and releasing them is a significant challenge.

Retail real estate is highly sensitive to consumer sentiment and digital competition. Physical stores continue to lose ground to online competition, while smaller and older centers continue to lose to newer and larger centers. The vacancy rate in Fund's retail properties, especially in Europa and Galerija Centrs, is significant and it might be a challenge to fill the vacancy.

The Issuer's revenue will be mainly comprised of rents paid by tenants at its retail and office properties. If a tenant decides not to renew or extend a lease agreement, there is a risk that a new tenant may not be found at the equivalent economic terms or at all for some time adversely affecting rental income of the property. The Issuer seeks to minimize this risk by limiting concentration of tenants, signing long term lease agreements and scattering their ending dates over time horizon (to avoid many lease contracts ending at one point in time). There is also a risk that a tenant may not pay rent on time or at all failing to meet its contractual obligations to the Issuer. This risk increases in the times of economic downturn. Any decrease in rental income is likely to negatively affect the Issuer's value of properties, financial position and cash flows.

One of the properties belonging to the Issuer - Apollo Plaza in Tallinn - has only one tenant, occupying 100% of the property. If the tenant terminates its lease agreement, there is a risk involved with finding new tenants. Furthermore, the premises may have to be renovated and adjusted to serve new tenants, which could affect the Issuer's financial condition and returns negatively.

One of top 10 tenants of the Fund – Skai Baltija (operating under brand Sky) in Riga has declared their intention to terminate the lease prematurely, and based on the best knowledge of the Management Company has no financial strength to bear the consequences of the subsidiary pursuing claim for lost income in the court. Respective settlement has been reached at substantially reduced rental level, however there is no certainty that this lease will successfully continue until contracted maturity (end of 2029) and is certainly to be replaced with a new tenant at that time.

If tenants risk realizes, the Issuer's ability to comply with the loan agreements may be endangered. Should the Issuer breach the covenants of the loan agreements, additional financing costs may arise and accelerated debt repayments may be demanded. That may lead to additional capital raisings by the Issuer or its restructuring.

Refinancing risk

At maturity of the Issuer's debts, the Issuer will be required to refinance such debt. The Issuer's ability to successfully refinance such debt is dependent on the conditions of the financial markets in general at such time. As a result, the Issuer's access to financing sources at a particular time may not be available on favourable terms, or at all. The Issuer's inability to refinance its debt obligations on favourable terms could have a material adverse effect on the Issuer's business, financial condition and results of operations.

A Latvian subsidiary of the Issuer which has three cross-secured loans with the same lender in the total amount of (19.5m EUR as of 31 December 2025) has agreed on a prolongation of all three loans until January 2028 and adjustment of its covenants on two conditions - new capital to be raised through this Offering in the amount of at least 7.0m EUR and down-payment of principal in the amount of 1.3 million.

The Fund will continue facing major refinancing milestones over the course of next 24 months after this Offering and there is no guarantee that the market conditions, performance of its properties and borrowing conditions will be favorable to successfully refinance the existing debt in the amounts and at the terms acceptable for the Issuer.

Interest rate risk and leverage

Debt is a significant source of financing for the Issuer. It targets 50% LTV ratio implying that half of the capital requires interest payments. The Issuer's cost of debt depends primarily on the market interest rates, margin demanded by credit providers

and Issuer's targeted debt management strategy – weights of fixed and variable debt, duration of debt. Fluctuations in interest rates could adversely affect the Issuer's financial position, cash flows and its ability to acquire new properties.

The past performance is not a guarantee of the future performance of the Fund

The Issuer is reliant on the Management Company to identify and manage prospective investments in order to create value for Issuer unitholders and bondholders. The past performance of the Issuer is not indicative, or intended to be indicative, of the future performance or results of the Issuer. As a result, none of the historical information presented by the Issuer or available publicly is directly comparable to the Issuer's business or the returns which the Issuer may generate. In addition, the previous investments of the Issuer may not be directly comparable with the Issuer's proposed business.

Fluctuations in value of property portfolio

The fair value of each property is estimated by an independent appraiser once a year. Valuation is based on a discounted cash flow model which takes into account property-specific factors (rents, vacancy rates and operating costs) and industry-specific factors (costs of capital and exit yield). Since these factors are subject to variation over time, the fair value of the Issuer's properties could both appreciate and depreciate. Weakening characteristics of the property portfolio (declining rents and occupancy) and/or negative climate in the real estate industry (increased cost of capital and higher yield requirement) would result in the decrease in the fair value of the Issuer's assets adversely affecting its earnings and financial position.

Real estate investments are relatively illiquid

Real estate investments have low liquidity and there can be no assurance that the Fund will be able to exit the investments in a timely manner. By their nature, real estate investments or interests in other non-public entities are subject to industry cyclicity, downturns in demand, market disruptions and the lack of available capital for potential purchasers and therefore often difficult or time consuming to liquidate. Investments in property can be relatively illiquid for reasons including but not limited to the long-term nature of leases, commercial properties being tailored to tenants' specific requirements and varying demand for commercial property. Such illiquidity may affect the Issuer's ability to vary its portfolio or dispose of properties in a timely fashion and/or at satisfactory prices in response to changes in economic, property market or other conditions. This may have a material adverse effect on the Issuer's business, financial condition, results of operations and prospects.

If the Issuer is required to dispose of investments at any time (for example due to a requirement of the lending bank), there can be no assurance that, at the time the issuer seeks to dispose of assets (whether voluntarily or otherwise) relevant market conditions will be favourable or that the Issuer will be able to maximize the returns on such disposed assets. It may be especially difficult to dispose of certain types of real estate during recessionary times. To the extent that market conditions are not favourable, the Issuer may not be able to dispose of property assets at a gain and may even have to dispose of property assets at a loss. Furthermore, the Issuer may be unable to dispose of investments at all, which would tie up the capital invested in such assets and could impede the Issuer's ability to take advantage of other investment opportunities. The Management Company makes its best efforts to ensure sufficient liquidity by efficient cash management, by maintaining a liquidity buffer and organizing long-term diversified financing for real estate investments.

Damage to the Fund's reputation risk

The issuer's ability to attract and retain tenants at its properties as well as Management Company's ability to retain personnel in its employment may suffer if the Issuer's reputation is damaged. Matters affecting the Issuer's reputation may include, among other things, the quality and safety of its properties and compliance with legislation and official regulations. Any damage to the Issuer's reputation may have a material adverse effect on the Issuer's business, results of operation, and financial condition.

Changes in legislation and taxes

The Issuer's business takes place in a highly regulated environment. Its operations are regulated both by the legislation of each country where itself or its SPVs operate. In addition, the Issuer's operations may be affected by regional or supranational regulations, such as EU legislation. Violations of applicable laws or regulation could damage Issuer's reputation or result in regulatory or private actions with substantial penalties or damages.

In the view of the Management Company, the Issuer complies with all legislative requirements and other regulations as at the date of this Document. Legislation and other regulations may, however, change, and the Management Company cannot guarantee that it would in such cases be able to comply immediately, without material measures, with the requirements of changed legislation or other regulations. For instance, changes in law and regulations or their interpretation or application practices concerning investment activities, environmental protection and taxation may have a material adverse effect on the Issuer's operations.

Adapting the Issuer's operations to any of the changes in legislation and taxes may incur costs for the Issuer that are difficult to anticipate, which in turn may have a material adverse effect on the Issuer's business, results of operations, and financial condition.

Specific investment risks

With respect to investments in the form of real estate property, the Issuer will incur the burden of ownership, which includes the paying of expenses, taxes, maintaining such property and any improvements thereon and ultimately disposing of such property. In order to meet demands from the market or government authorities or other legal requirements, maintenance costs may be substantial and unforeseen. In addition, certain of the mortgage financing is structured so that all or a substantial portion of the principal will not be paid until maturity, which increases the risk of default at that time. The risk of partial or a total loss of capital does exist and investors should not subscribe unless they can readily bear the consequences of such a loss.

Competition

Commercial real estate is a competitive industry. To maintain the attractiveness of its properties the Issuer has to react quickly to changes in the competitive environment. Possible responses to competitors' actions include upgrading properties with new features (for instance, smart technologies and environmental solutions), their refurbishment, rent discounts and greater promotion and marketing activities. These could result in unforeseen substantial expenses adversely affecting the Issuer's financial position and cash flows.

Supply of commercial premises increases with commissioning of newly developed properties. If additions to the supply are not matched by an increase in demand for commercial space, new properties could raise vacancy levels and reduce rent rates in the market, especially, for older and lower quality premises as tenants tend to prefer newer spaces. Therefore, elevated development activity in office and retail property markets in the Baltics may have an adverse effect on the Issuer's rental income and, in turn, on its value of properties, financial position and cash flows.

Property development risk

Some of the investment properties owned and managed by the Issuer require substantial repositioning, which in essence is comparable to real estate development activity (substantial redesign, renovation, releasing, development financing, commissioning, etc.). Risks associated with development activities also include the risk of spending capital and resources on projects that may end up being abandoned, construction cost overruns, time delays and that occupancy levels and rental rates are lower than originally anticipated.

Moreover, if the Issuer's third party contractors fail to successfully perform the services for which they have been engaged, either as a result of their own fault or negligence, or due to the Issuer's failure to properly supervise any such contractors, this could have a material adverse effect on the Issuer's business, financial condition, results of operations and prospects.

Hedging risks

In connection with certain investments the Management Company may employ hedging techniques designed to protect the assets against adverse movements in for example interest rates. While such transactions may reduce certain risks, such transactions themselves may entail certain other risks. In case the derivative has to be terminated prematurely due prepayment of the loan ahead of its schedule, change of other financing terms or full repayment of the loan before its maturity, termination cost of hedging might be very high depending on interest rate on the market.

Thus, while the issuer may benefit from the use of these hedging mechanisms, unanticipated changes in interest rates or currency exchange rates may result in a poorer overall performance for the Issuer than if it had not entered into such hedging transactions. Due to the need and intention to materially reduce overall debt in the Issuer's business over the next 12 months, the Management Company has currently suspended entering into any new interest rate hedging instruments.

Reliance on the performance of the Management Company

The Issuer's asset portfolio continues being externally managed and the issuer will rely on the Management Company, and the experience, skill and judgment of the Management Company, in identifying, selecting and negotiating the acquisition of suitable investments. Furthermore, the Issuer will be dependent upon the Management Company's successful implementation of the Issuer's investment policy and investment strategies, and ultimately on its ability to create a property investment portfolio capable of generating desirable returns. There can be no assurance that the Management Company will be successful in achieving the Issuer's objectives.

The Management Company is also responsible for carrying out the day-to-day management and administration of the Issuer's affairs and, therefore, any disruption to the services of the Management Company could cause a significant disruption to the Issuer's operations until a suitable replacement is found. The Management Company holds an alternative investment fund manager license issued by EFSA. If due to any reason the license is revoked or suspended, the Management Company will not be allowed to manage the Issuer. In such case the management of the Issuer will be transferred to the depositary of the Issuer, who will have to find a new management company, or start liquidation. During such period the Issuer will not have active management, which may have negative consequences for the financial results of the Issuer.

Moreover, there may be circumstances in which the members of the Management Board or Supervisory Council of the Management Company have, directly or indirectly, a material interest in a transaction being considered by the Issuer or a conflict of interest with the Issuer. The Supervisory Board of the Issuer has the right to decide on the situations of conflict of interest.

The management of investment properties will be gradually insourced, with dedicated personnel hired directly by the property holding entities and delivering their service exclusively for Fund's real estate affairs under the instruction of the Management Company. The Management Company of the Issuer needs personnel in order to facilitate management of the Issuer and provide related services. Therefore, the success of the Issuer's operations depends on its Management Company's ability to hire, motivate and retain professionals with required skills, knowledge and experience. An unexpected departure of a fund manager and delays in selection of a replacement may negatively affect the Issuer's operations, implementation of its strategy and financial results.

Dispute risks

The Issuer has currently no ongoing tax or civil court cases or other issues that could have a significant negative impact on the issuer's business, financial position and earnings.

The Issuer's business is investing in real estate properties whose space is leased out to tenants. There is a risk that the Issuer may be drawn into legal disputes with tenants or counterparties in real estate transactions. Negative outcome of such disputes could adversely affect Issuer's operations, financial position and cash flows. The Management Company uses its best endeavours to conclude agreements correctly and communicate in a respectful manner with all counterparties. All misunderstandings are tried to be settled by a mutual agreement. Nevertheless, the emergence of disputes cannot be excluded.

Use of external service providers

The Management Company utilizes external service providers in its operations in connection with maintaining and constructing the Issuer's properties, generally in relation to the Issuer management, as well as in connection with the planning development projects. The availability, terms and conditions, price, and quality of these external services, as well as the possibility of transferring any increases in the cost of these services to the tenants, are material to the Issuer's business. The failure to procure services or to transfer the increase in their costs to tenants may have a material adverse effect on the Issuer's business, result of operations, and financial condition. Nevertheless, the Management Company does not regard this risk as a major risk, because firstly, the Management Company chooses service providers with due care, and secondly, in case of a failure of a service provider to provide a service, the Management Company is able to find a replacement or is able to provide the services itself.

Insurance coverage

The Issuer's insurance policies could be inadequate to compensate for losses associated with damage to its property assets, including loss of rent. According to the Issuer's strategy, insurance of each property has to include rent coverage of at least 18 months in the case of fire, destruction or other events that could damage a property. Any losses exceeding amounts covered by insurance contracts may have an adverse effect on the Issuer's business operations, financial position and cash flows. The Issuer has no viable insurance policies in place to cover losses in the event of war.

Environmental liabilities

As the owner of real estate property, the Issuer could be held liable for possible environmental damage caused by operations carried out in such property if such operations have not been carried out in accordance with applicable regulations. Although in the Management Company's view properties that the Issuer targets to invest in are generally not used for operations that could be particularly harmful to the environment, it cannot be ruled out that the Issuer could be held liable for environmental damage incurred in a property owned by the Issuer. Such environmental liability could, if materialized, have a material adverse effect on the Issuer's business, results of operations, and financial condition.

Technical risks

Although the Issuer invests in the maintenance of its existing properties and conducts a thorough technical examination of potential investment targets, its properties could be subject to technical problems such as construction defects, compliance with fire-safety and other regulations, other hidden defects and contamination. Elimination of these problems could require substantial investments and, thus, have an adverse effect on Issuer's financial position and cash flow.

Risks Related to the units and listing

Market risks and volatility

No assurance can be made that following the Offering the units will be actively traded on Nasdaq Tallinn. There is no guarantee that an active trading market on Nasdaq Tallinn will be developed or sustained.

The level of liquidity of the units will affect formation of their market price. The offer price may not be representative of the unit market price after the Listing. What is more, market price and trading volume could fluctuate substantially reacting to a number of factors including changes in the Fund's actual results and investors' and analysts' expectations of its future results, developments in real estate market and general economic conditions, valuations of comparable companies and general stock market trends. Such factors as general macroeconomic and stock market trends fall out of control of the Issuer and the Management Company. Hence, there is a risk that unit price performance will not reflect operating performance of the Fund,

especially, during stock market downturns. Since prices of publicly traded securities can increase as well as decrease, investors that acquire the units may not be able to resell them in the secondary market at or above the purchase price.

In addition, the units are not redeemable at the request of a unitholder, which means that the Management Company will not redeem units at the NAV of the Unit. The unitholder can only dispose its units via market trade on the stock exchange or over-the-counter trade with a third person at the price as agreed between the parties. Therefore, the unitholder may need to sell its units at a price lower than the NAV of the Unit.

Adverse change in the financial condition or prospects of the Issuer

Any adverse change in the financial condition or prospects of Issuer may have a material adverse effect on the liquidity of the units, and may result in a material decline in their market price.

New issues of the Fund's units

In the future additional units may be issued in order to further reduce debt, continue strengthening the composition and quality of Fund's investment portfolio or due to other reasons. This could lead to dilution of holdings of unitholders. In addition, new issues could reduce earnings per unit and NAV per unit. Therefore, offering of additional units in the future may negatively affect the market price of the unit.

To the extent that a unitholder of the Issuer decides not to subscribe, or is restricted from subscribing, for the full amount of units such unitholder would be entitled to in any possible future unit issues by the Issuer, the proportionate ownership and voting interest in the Fund of such unitholder would be diluted accordingly and the percentage of the units of the Fund represented by such unitholder's original units will be proportionally reduced.

Future dividends

Neither the payment of future distributions out of the cash flows of the Issuer, nor their size can be guaranteed. The Management Company targets to pay out to unitholders at least 80% of the distributable cash flow which is defined as cash flow from operating activities less capital expenditure to maintain the quality of properties and less financing expenses. The Issuer's ability or willingness to make distributions will depend on other factors including its financial position, capital expenditure and outlook for future cash flows. These factors are affected by numerous Issuer- and industry-specific risks. Thus, distributions are not certain. Given the turnaround phase of the Fund, distributions are not planned in the period of at least next 12 months.

The Fund is subject to regulatory and legal risks related to the securities' issues

An issuance of units or other securities by the Issuer in or into certain jurisdiction may be subject to specific registration, admission or qualification requirements or other restrictions imposed by local law or regulatory authorities or be prohibited altogether. The Management Company uses its best efforts to comply with restrictions, but it cannot be excluded that due to ambiguities related to the application of and practice related to such restrictions, or due to any other reason, the Issuer may become subject to regulatory or legal proceedings potentially resulting in fines or penalties or liability for damages.

Future sales of the Issuer's units

After the completion of the Offering, existing unit-holders of the Fund will own approximately 45.9% of the total number of units provided that all the offer units in an amount of 169,147,497 will be issued as a result of the Offering and the existing unitholders do not subscribe in the course of the Offering. A sale of a large number of units (or an expectation of such a sale by the market) may negatively impact the unit market price.

No assurance on change of laws or practices

The units are governed by the laws of the Republic of Estonia. Estonian laws (including but not limited to tax laws) and regulations governing the units may change during the life of the Units, and new judicial decisions can be issued and/or new administrative practices be adopted. No assurance can be given as to the impact of any of such possible changes of laws or regulations, or new judicial decision or administrative practice taking place after the date of purchase of the unit. Hence, such change may have a material adverse effect on the Issuer's business, financial condition, results of operations and/or future prospects.

Adverse changes in the tax regime applicable in respect of transacting with the units or receiving dividends based on the units may result in an increased tax burden of the unit-holders and may therefore have adverse effect on the rate of return from the investment into the units.

Nasdaq CSD SE

The units will be affiliated to the account-based system of the Nasdaq CSD SE (Societas Europaea) – the regional central securities depository in the Baltics. Clearing and settlement relating to the units will be carried out within the depository's book-entry system. Book-entry entry system means that no security certificates are issued and the ownership of securities are recorded digitally. This means that unit-holders are entitled to exercise unit-holders' rights only after the unit-holder has been recorded to the list of unit-holders maintained by Nasdaq CSD SE. Investors are therefore dependent on the functionality

of the Nasdaq CSD SE's account-based system and therefore in order to exercise any right as an owner of units, the unit-holder must rely upon the procedures of Nasdaq CSD SE.

9. INFORMATION ABOUT THE SECURITIES

Name of security	Baltic Horizon Fund units
ISIN	EE3500110244
Ticker	NHCBHFFT
Regulated market	Nasdaq Tallinn stock exchange, Fund list
Number of units as of the date of this document	143,562,514

10. DILUTION

All Existing Investors have the pre-emptive right to subscribe for new units in proportion to the total number of their units (pro-rata). If such subscription rights are exercised in full, no dilution of ownership will occur. Failure to exercise subscription rights may result in dilution of the investor's ownership percentage. As of the date of this Document, the total number of Units is 143,562,514. If an Existing Investor chooses not to subscribe for any new units while all offered units are fully subscribed by other Existing Investors, the investor's ownership in the Fund will be diluted. Based on the current total of 143,562,514 units and the issuance of up to 169,147,497 new units, the investor's relative ownership could decrease by a maximum of approximately 54.1%, leaving them with about 45.9% of their pre-offering ownership share. This dilution occurs because the total number of units may increase to the maximum of 312,710,011 following the Offering, reducing the proportional stake of any investor who does not participate.

11. TERMS AND CONDITIONS OF THE OFFERING

The Offering

During the Offering, up to 169,147,497 new units will be offered to persons entered in the unitholders' register as of the end of the Nasdaq CSD SE working day preceding the date of the first day of the offering period, i.e. on 20 February 2026 (the "Existing Investors"). The Offering will be conducted on the basis of the extraordinary General Meeting decision of the Fund's unit-holders on 16 December 2025.

Right to participate in the Offering

The Offering will be arranged as a public offering in Estonia and as a private placement in other select jurisdictions. The Existing Investors have the pre-emptive right to subscribe for new units in proportion to the total number of their units, which does not limit or exclude the Existing Investors' right to subscribe for new units in smaller quantities or not to subscribe for new units at all. The new units will be offered only to Existing Investors, i.e. persons entered in the unit-holders' register as of the end of the Nasdaq CSD SE working day preceding the date of the first day of the offering period, i.e. on 20 February 2026.

Offering price

The new units are to be issued at a price of EUR 0,1478 per unit, corresponding to a 30% discount to the closing price of the unit on Nasdaq Tallinn on 13 November 2025.

Offering timetable

Record date for the entitlement	20 February 2026
Offering period	23 February – 3 March 2026
Announcement of the results	on or around 4 March 2026
Settlement date	on or around 9 March 2026
Start of trading in new units	on or around 9 March 2026

The timetable may be amended by the Issuer, e.g. by extending the offering period or postponing any of the actions. For example, the Issuer may need more time for the allocation decision. Any changes to the timetable will be notified through a stock exchange announcement.

Subscribing for the units

Investors should contact a custodian that handles their securities account at the Estonian Register of Securities for subscription. For subscribing the units, it is important that the subscription order is made through the same securities account where the current Baltic Horizon Fund units are held, including in cases when the units are held via nominee account. The Management Company may, at its discretion, accept subscriptions made through another securities account, provided that the investor is able to prove, to the satisfaction of the Management Company, that such investor is an Existing Investor and verify the number of units held on the record date. Such exceptions are made only in limited justified cases, e.g. when the

investor holds their units through a nominee account which does not enable subscribing for the units in the course of the Offering. Subscription orders can only be submitted for a whole number of units.

The subscription orders for the units may be submitted only during the offering period. An investor participating in the Offering may apply to subscribe for the units only for the offering price. All investors participating in the Offering can submit subscription orders denominated only in euro. An investor shall bear all costs and fees charged by the respective custodian of the ERS accepting the subscription order in connection with the submission, cancellation or amendment of a subscription order. Multiple subscription orders by one investor shall be merged for the purposes of allocation. In order to subscribe for the units, an investor must have a securities account with the Estonian Register of Securities. Such securities account may be opened through any custodian of the Estonian Register of Securities. The list of banks and investment firms operating as custodians of the Estonian Register of Securities is available on the website <https://nasdaqcsd.com/list-of-participants/> under the column "Account operator". An investor wishing to subscribe for the units should contact a custodian that operates such investor's securities account with the Estonian Register of Securities and submit a subscription order to receive the units on that account during the allocation process. The subscription order must be submitted to the custodian by the end of the offer period. The investor may use any method that such investor's custodian offers to submit the subscription order (e.g., physically at the client service venue of the custodian, over the internet or by other means). For the avoidance of doubt, holders of nominee accounts are treated as the legal owners of the units. Consequently, any investor holding units through a nominee account, or electing to receive units into a nominee account upon allocation, is required to submit the subscription order via the nominee account holder and to indicate the relevant nominee securities account number in the subscription order. The investor holding the units through a nominee account shall further be required to prove, to the satisfaction of the Management Company, that it is an Existing Investor within the context of this Offering and to verify the number of units held by such investor as of the record date. The Management Company may require such confirmations, representations or documentation as it deems necessary for this purpose and may rely on confirmations provided by the nominee account holder. Where the Management Company is not satisfied that an investor qualifies as an Existing Investor or that the number of units held as of the record date has been adequately verified, it reserves the right to reject the subscription order in whole or in part.

The transaction amount for the investor will be the number of units for which the investor wishes to subscribe multiplied by the offering price. An investor must ensure that all information contained in the subscription order is correct, complete, and legible. The Issuer reserves the right to reject any subscription orders, which are incomplete, incorrect, unclear or illegible, or which have not been completed and submitted during the offering period in accordance with all requirements set out in these terms and conditions.

By submitting a subscription order every investor:

- (i) accepts the terms and conditions of the Offering set out in this Information Document and agrees with the Issuer that such terms will be applicable to the investor's acquisition of any units;
- (ii) acknowledges that the Offering does not constitute an offer of the units by the Issuer within the meaning of section 16(1) of the Estonian Law of Obligations Act or otherwise and that the submission of a subscription order does not itself entitle the investor to acquire the units nor result in a contract for the sale of units between the Issuer and the investor;
- (iii) accepts that the number of the units indicated by the investor in the subscription order will be regarded as the maximum number of the units, which the investor wishes to acquire (the Maximum Amount) and that the investor may receive less (but not more) units than the Maximum Amount;
- (iv) undertakes to acquire and pay for any number of units allocated to it in accordance with these terms and conditions up to the Maximum Amount;
- (v) authorises and instructs its custodian to forward the registered transaction instruction to the registrar of the Estonian Register of Securities;
- (vi) authorises the custodian and the registrar of the Estonian Register of Securities to amend the information contained in the investor's subscription order, including (a) to specify the value date of the transaction and (b) to specify the number of the units to be purchased by the investor and the total amount of the transaction found by multiplying the offering price by the number of units allocated to the relevant investor;
- (vii) authorises the Management Company, the registrar of the Estonian Register of Securities, the custodians and their respective advisors to process forward and exchange information on the identity of the investor and the contents of the investor's subscription orders and the amount of units belonging to the investor on 20 February 2026 before, during and after the Offer Period;

- (viii) authorises and instructs the institution operating the investor's cash account connected to its securities account (which may or may not also be the investor's custodian) to immediately block the whole transaction amount on the investor's cash account until the settlement is completed or funds are released in accordance with these terms and conditions. The transaction amount to be blocked will be equal to the offering price multiplied by the Maximum Amount. An investor may submit a subscription order only when there are sufficient funds on the cash account connected to its securities account with the Estonian Register of Securities to cover the whole transaction amount for that particular subscription order;
- (ix) confirms, that he/she/it is not subject to the laws of any other jurisdiction which would prohibit the placing of the subscription order or allocation of the units to him/her/it and represents that he/she/it is authorised to place a subscription order in accordance with the Information Document.

An investor may amend or cancel a subscription order at any time before the expiry of the offering period. To do so, the investor must contact its custodian through whom the subscription order in question has been made and carry out the procedures required by the custodian for amending or cancelling a subscription order (such procedures may differ between different custodians).

If, for any technical reasons, the investor is unable to subscribe in the described way, the investor is advised to contact the fund manager directly via info@baltichorizon.com.

Allocation

The Issuer will decide and announce the allocation after the expiry of the offering period on or about 4 March 2026.

The units are offered and allocated to existing investors on a *pro rata* basis, and each existing investor will be able to subscribe for and be allocated up to a number of units held by such investor on 20 February 2026, multiplied by a coefficient 1.1782. This means, for example, if the investor held 1000 units on 20 February 2026, the investor is entitled to subscribe for a maximum of 1178 units in the course of current offering. In case of subscribing more than the entitled amount, the amount of allocated units will be decreased based on the principle described above.

The units not subscribed for by any Existing Investor will not be allocated to other investors.

On allocation, the number of units to be allocated to an investor will be rounded to the nearest whole number of units (Half Up method – i.e. 5 or more are rounded up and 4 or lower are rounded down). If, due to the rounding, the total amount of allocated units would exceed 169,147,497 units, the exceeding amount of units will be deducted from allocated amounts to the largest investors by discretion of the Management Company.

In the event that some investors are unable (e.g. due to technical reasons as the settlement to a securities account where the existing Units are held, is not possible), to finalise the settlement of allocated amounts according to the timetable presented in this Document, the Management Company may at its full discretion hold, on the securities account of the Issuer, the Units allocated to such investors for up to two months after the initially communicated Settlement date, i.e. until 9 May 2026. If, by that time, the settlement has not occurred, the Units held on the Issuer's securities account will be deleted. For the avoidance of doubt, the Issuer is not allowed to make any other transactions with such Units, other than to finalise the settlement based on the allocation list of the Offering.

12. REGULATED MARKET

At the date of this Document, the Fund is admitted to trading on Nasdaq Tallinn and commenced trading on 6 July 2016. The units are issued under Estonian law, and are traded on the Nasdaq Tallinn in EUR. The units issued as a result of the Offering will be listed on Nasdaq Tallinn and the first day of trading with new units is expected to be on or around 9 March 2026.