

New units issuing Q&A

Frequently asked questions from investors regarding issuance of new units in 2026.

1. Why is the Fund proposing to issue new units right now?

The Fund Manager has identified that the Fund's current leverage levels are not sustainable over the long term. The primary goal of this equity issuance is to strengthen the balance sheet by reducing expensive debt. Lowering the debt burden is in the best interest of all unit-holders to ensure the stability and future growth of the Fund.

2. Who is eligible to purchase Fund's new units?

The new units are being offered **exclusively to existing investors of the Baltic Horizon Fund**. To be eligible, you must be entered in the unit-holders' register by the end of Nasdaq CSD SE-s working day preceding the start of the offering period i.e. **20 February 2026**.

3. What is the price of the new units?

The subscription price is set by the 16 December 2025 unitholders meeting to be **EUR 0.1478 per unit**.

4. Will my current holding be diluted if I do not participate?

If you choose not to subscribe to the new units, your percentage ownership in the Fund will decrease (dilute) as the total number of units increases. However, to protect your interests, the Fund is offering pre-emptive rights. This means you have the right to subscribe to a number of new units proportional to your current holding, allowing you to maintain your percentage of ownership if you choose to exercise this right.

5. What means pro-rata offering?

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. This does not prevent the investor to subscribe for a fewer units or not subscribe at all.

6. How will the money raised from this issuance be used?

The proceeds will be used for deleveraging the Fund's portfolio (paying down debt) and/or for asset enhancement expenditures (improving existing properties to increase their value and potential returns).

7. I am an investor outside of Estonia. Can I participate?

Yes, the units are offered to all existing investors. While the public offering only takes place in Estonia where most of the fund's investors are located, the target audience is the existing unit-holder base.

8. How and where can I submit a subscription order for the new units?

You will generally be able to subscribe through the bank or brokerage firm where your securities account is held (Luminor, LHV, Swedbank, SEB etc.). In Estonia, the offering should appear in your internet bank under investment section.

For foreign investors a subscription form may be needed to fill out for your brokerage firm or correspondent bank. If you hold units on a nominee account you should contact your brokerage firm or bank for more specific instructions.

9. When will the new units be credited to my securities account?

The new units will be transferred to your account on the settlement date, which occurs shortly after the subscription period ends, based on current timeline, on **9 March 2026**. For some investors, the settlement may take place later, e.g. if you have technical difficulties to settle because of nominee account or other justified reasons.

10. My units are held via a nominee account (e.g., Interactive Brokers). How do I participate?

If you hold units through an international bank, broker or nominee account like Interactive Brokers, you must contact them immediately to instruct them to subscribe on your behalf. Since the units are legally registered in the broker's name, they will not act unless you provide specific instructions through their corporate actions department.

We recommend doing this early, as international brokers often have earlier deadlines than the official closing date.

For any questions please contact the management company info@baltichorizon.com.