

Unaudited condensed consolidated interim financial statements for the 9-month period ended 30 September 2025

Interim report Q3 2025



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Management report



Turnaround of Baltic Horizon

The Fund reports on its 9 months of operations in 2025 under the new composition of its management board as well as the new ownership of its management company which are effective from 30 October 2025. In connection with this change of ownership, the management company has changed its name to Baltic Horizon Capital AS.

Financial Performance

The result for the third quarter of 2025 is a loss of EUR 68 thousand (Q1-Q3 2025: loss of EUR 959 thousand), primarily due to the increase of bad debt provisions of historicly accumulated problematic receivables. Managers of our properties will continue supporting those tenants where this helps to restore their performance. However, continuous violation of payment terms will not be tolerated, and respective measures have been applied during Q3 where needed. Due to this, management retrieved EUR 0.3 million of outstanding debts during Q3 and anticipates no additional material bad debt provisions by year-end. Nevertheless, the quarterly cash flow of the Fund remains negative EUR 1.1 million as we continue investing into the fit-out for incoming tenants and servicing hefty debt load.

While we continued amortizing debts by EUR 1.2 million during the quarter, it is clear that the strategic target of reducing the total debt load of the Fund to under 50% of its investment portfolio value is not attainable by the end of 2025. Furthermore, the Fund will report new independent revaluations of its investment portfolio, the net result of which remains uncertain.

Must Wins

The Fund owns a decent portfolio of properties, most of which can be marketed at very competitive rents in their respective market segments. Delivering this is a must-win area no.1, and we start the necessary operating adjustments immediately.

Some of the properties we own still require significant further investments in order to adapt them for a commercially viable offering for their next lifecycle. These transformation projects will be implemented by our own teams. Securing the competence and capital for these transformation plans is our 2nd must-win area.

It is obvious that the Fund cannot start operating profitably and generating cash flow until its debts are at this volume and cost. Debt/Annualised EBIDTA stood at 16.6, while the sustainable level is less than 9. Rental income improvements and cost measures alone are not yet sufficient to bring the performance to a desired leverage. Our 3rd must-win area is therefore to restore a healthy balance sheet by repaying the entire balance of the bonds over the period of the next 12 months, and adjusting bank loans to the actual business realities and plans of respective properties.

Property Management

Deploying an adequate team both in the management company and, in particular, in the properties of the Fund is the first step. The Fund will insource the management of its properties by contracting key staff directly. On most of our properties this will be implemented over the course of the next 3 months.

The management estimates that approximately EUR 25 million in new equity is required to enable full repayment of the bonds and funding asset enhancement projects on the current portfolio. Over the course of November, the management will communicate to the market the terms of the new units offering which will be intended for the existing unitholders of the Fund. Subject to the approval of the unitholders' meeting, this offering will be commenced in January already.

While there is virtually no liquidity for larger commercial properties in the Baltic market, we continue marketing our smaller properties to potential buyers. No brokers are planned to be engaged on our behalf in this process, therefore in case of credible interest - feel free to approach directly.

Throughout the implementation of these steps, we continue deploying cost cutting measures. This may result in reduced volume of overheads of non-critical nature, including more concise yet transparent and timely reporting. The Fund plans to review its current ESG reporting and memberships. The respective policies will be changed accordingly.

Outlook

Until the bonds are not repaid in full, necessary asset enhancements are not implemented - the Fund will not have the capacity to distribute any cash to the unitholders. It is therefore unlikely that any distributions would restart anytime soon.

Galerija Centrs



Key figures Q3 2025

Key earnings figures	Unit	Q1-Q3 2025	Q1-Q3 2024	Q1-Q3 2023
Rental income	EUR '000	11,361	11,357	13,988
Net rental income	EUR '000	8,709	8,869	11,723
Net rental income margin ¹	%	76.7	78.1	83.8
Valuation gains (losses) on investment properties	EUR '000	(13)	(12,529)	(14,626)
EBITDA	EUR '000	6,103	(6,238)	(8,817)
EBITDA margin	%	53.7	(54.9)	(63.0)
EBIT	EUR '000	5,866	(5,992)	(8,684)
EBIT margin ²	%	51.6	(52.8)	(62.1)
Net profit (loss)	EUR '000	(959)	(13,399)	(15,216)
Net profit (loss) margin	%	(8.4)	(118.0)	(108.8)
Earnings per unit	EUR	(0.01)	(0.09)	(0.13)
Generated net cash flow ³	EUR '000	(665)	(3,870)	1,654
Generated net cash flow per unit ⁴	EUR/unit	(0.00)	(0.03)	0.01

Key financial position figures	Unit	30.09.2025	31.12.2024	31.12.2023
Total assets	EUR '000	237,694	256,048	261,138
Return on assets (TTM)	%	(1.8)	(6.5)	(7.6)
Total equity	EUR '000	97,229	98,095	109,532
Equity ratio	%	40.9	38.3	41.9
Return on equity (TTM)	%	(4.4)	(16.2)	(18.9)
Interest-bearing loans and borrowings	EUR '000	134,704	149,227	143,742
Total liabilities	EUR '000	140,465	157,953	151,606
LTV	%	60.1	61.8	57.3
Average cost of debt	%	6.2	6.7	5.2
Weighted average duration of debt	years	2.5	2.8	2.3
Current ratio	times	0.3	0.2	0.1
Quick ratio	times	0.3	0.2	0.1
Cash ratio	times	0.2	0.2	0.1
IFRS NAV per unit	EUR	0.6773	0.6833	0.9156

1. Net rental income as a % of rental income.

2. EBIT (earnings before interest and taxes) as a % of rental income.

3. Generated net cash flow is calculated based on net rental income less administrative expenses, less external interest expenses, less CAPEX expenditure. Listing related expenses and acquisition related expenses are added back in GNCF calculation.

4. Generated net cash flow per numbers of units at the end of the period.

Key figures Q3 2025

Key property portfolio figures	Unit	30.09.2025	31.12.2024	31.12.2023
Fair value of portfolio	EUR '000	228,320	241,158	250,385
Properties ⁵	number	11	12	12
Total Net leasable area	sq. m	111,464	118,269	119,714
Occupancy rate	%	85.6	82.1	81.1

Key property portfolio figures	Unit	Q1-Q3 2025	Q1-Q3 2024	Q1-Q3 2023
Direct property yield	%	3.9	3.9	4.7
Net initial yield	%	5.0	4.8	5.3

Key unit figures	Unit	30.09.2025	31.12.2024	31.12.2023
Number of units outstanding	units	143,562,514	143,562,514	119,635,429
Closing unit price	EUR	0.2250	0.2521	0.3150
Closing unit price	SEK	1.77	2.76	3.30
Market capitalisation ⁶	EUR	32,301,566	36,192,110	37,685,160

Key EPRA figures	Unit	Q1-Q3 2025	Q1-Q3 2024	Q1-Q3 2023
EPRA Earnings	EUR '000	165	(570)	2,551
EPRA Earnings per unit	EUR	0.00	0.00	0.02

Key EPRA figures	Unit	30.09.2025	31.12.2024	31.12.2023
EPRA NRV (Net Reinstatement Value)	EUR '000	103,714	104,333	114,205
EPRA NRV per unit	EUR	0.7224	0.7267	0.9546
EPRA NTA (Net Tangible Assets)	EUR '000	103,714	104,333	114,205
EPRA NTA per unit	EUR	0.7224	0.7267	0.9546
EPRA NDV (Net Disposal Value)	EUR '000	96,834	97,585	109,131
EPRA NDV per unit	EUR	0.6745	0.6797	0.9122
EPRA LTV	%	56.6	58.5	55.5

5. Properties includes 11 established cash flow properties.

6. Based on the closing prices units on the Nasdaq Tallinn Stock Exchange.

GRESB rating and sustainability score

The Fund has been awarded a four-star rating in the new 2025 GRESB Real Estate Benchmark. The Fund has achieved 88 points, representing an eight-point increase from 2024, and is placed 3rd in its peer group.

Delisting of SDRs

The fund's Swedish Depositary Receipts ("SDRs") were delisted from Nasdaq Stockholm as of 8 October 2025. As of 15 October 2025, all SDRs were cleared from the investors' accounts in Euroclear.

Completion of the transaction regarding the sale of Northern Horizon Capital AS shares

On 30 October 2025, the previous sole shareholder Northern Horizon A/S (registered in Denmark under register number 27599397) transferred the ownership of this Estonian licensed fund management company to Antanas Anskaitis, Antanas Danys and Tomas Milašauskas.

Portfolio facts

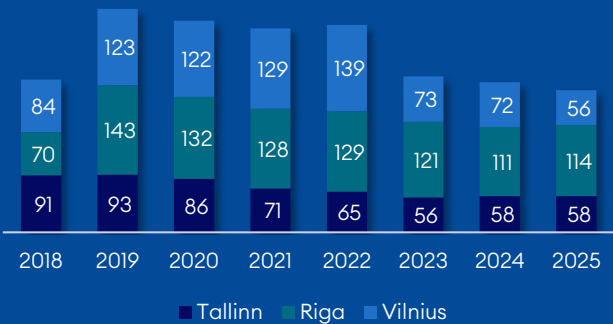
As of 30 September 2025

228.3m EUR
portfolio value

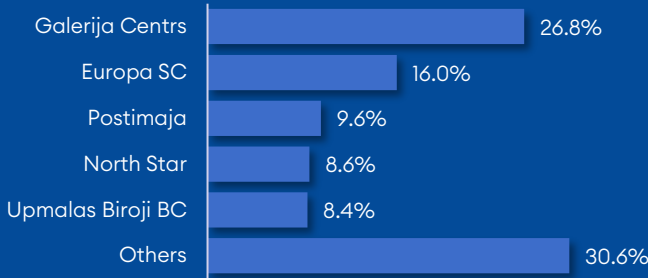
11 income
generating properties

111,464 sq.m.
leasable area

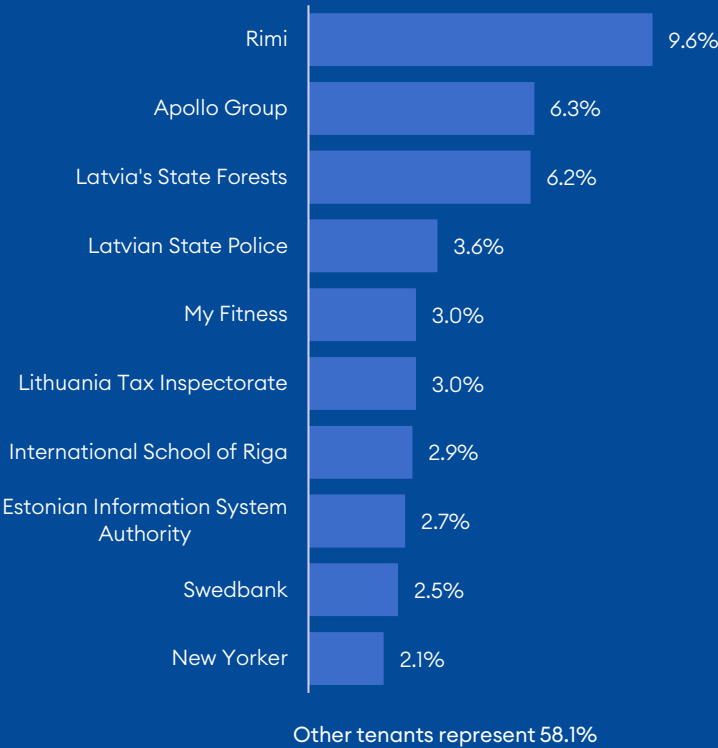
Portfolio value (EURm)



TOP 5 properties



TOP 10 tenants



Portfolio by countries



Portfolio by segments



Property report

Leasing and tenant update

The Baltic real estate market remained cautious in 2025, with activity largely driven by relocations rather than new demand. Vacancy levels stayed stable, while rising office supply kept pressure on landlords.

Office segment

At North Star, a five-year lease extension was signed with the Lithuanian State Tax Inspectorate for more than 3,000 sq. m, alongside 700 sq. m of new handovers to smaller tenants.

At Lincona, the Fund renewed its lease with Pet24 and continues preparing for the expected Swedbank departure in early 2026.

At the S27, approx. 3,700 sq. m were handed over to the International School of Riga, and a further 600 sq. m to smaller tenants.

At Upmalas Biroji, leasing activity remained slow amid cautious market sentiment. Securing new occupiers for the remaining vacant space remains a key priority.

At Vainodes, the prolonged Latvian State Forestry agreement, have already affected Q3 cash flow, and from Q4 2026 the leased area will be reduced to 5,300 sq. m. The property will be refurbished, with 2,600 sq. m allocated for a new tenant.

Retail & Leisure segment

At Galerija Centrs, the recently opened 2,000 sq. m MyFitness club, Sinsay store, and 1,900 sq. m laser entertainment zone have enhanced the centre’s tenant mix and contributed to a growth in both footfall and turnover.

At Europa SC, the Fund advanced its transformation into a lifestyle destination with a refreshed restaurant zone featuring Caffeine, Miyako, and Fortas, complemented by new wellness concepts. A lease for a 2,300 sq. m Gym+ flagship club, scheduled to open in 2026, will anchor the new 5,000 sq. m health, beauty and fitness area on the third floor.

Elsewhere, the Postimaja and Apollo Plaza complex is now fully occupied following the completion of renovations, while SKY remains fully leased and Pirta Centre retains a small vacancy on the first floor.

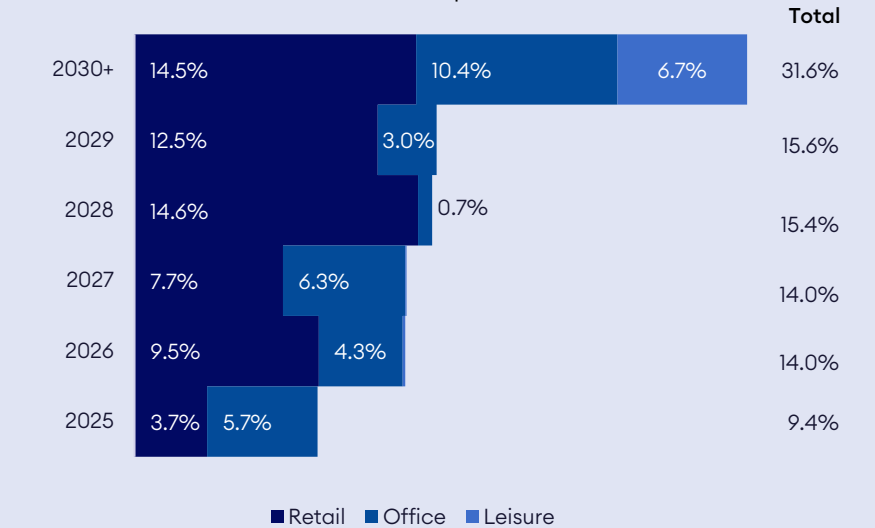
Overall, during the 9 months of 2025, the Fund handed over approx. 12,500 sq. m. of newly leased out premises. Moreover, leases of approx. 7,150 sq. m. were prolonged. 48 new tenants have been attracted to our buildings, in many cases to replace more problematic ones, while 28 existing tenants have decided to continue their cooperation with us.

As of the end of September 2025, the portfolio occupancy rate based on handover date stood at 85.6%, while occupancy calculated according to lease signing date reached 87.7%.

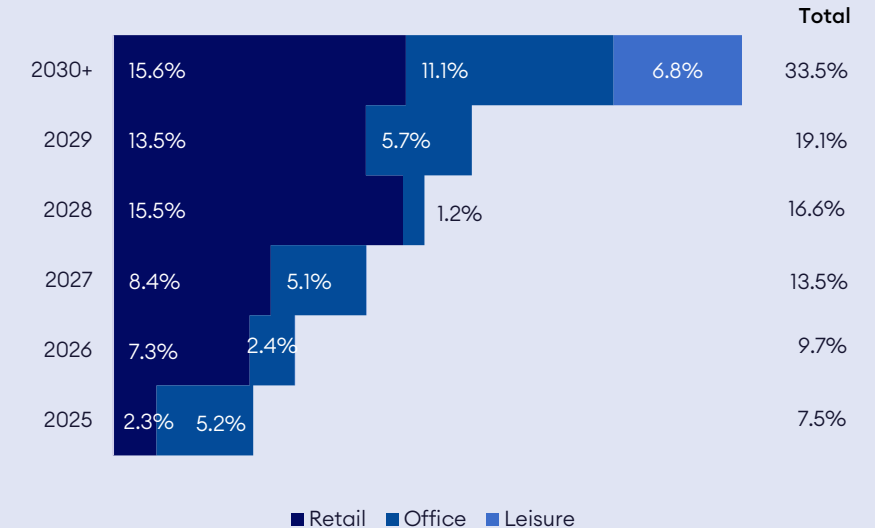
Still, around 10% of leases during the next 3 months are set to expire, therefore respective prolongations and relettings are of utmost urgency.

Recent leasing activity is reflected in the increase in the weighted average unexpired lease term until the first break option, which was 3.8 years as of 30 September 2025 (compared to 3.3 years as of 31 December 2024).

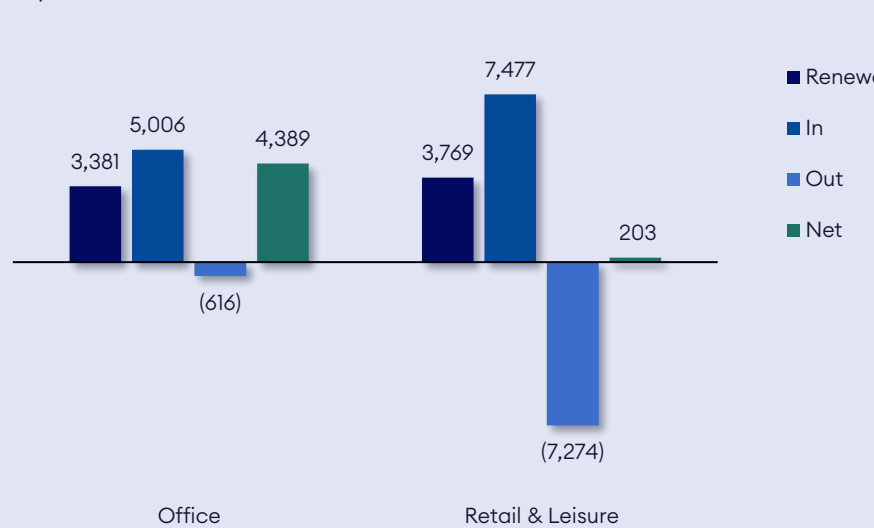
Lease maturity profile as of 30 September 2025
% of contractual rent to first break option



Lease maturity profile as of 30 September 2025
% of contractual rent to end of contract



Leasing activity in Q1-Q3 2025
sq. m.



The management of the Fund provides two different yield calculations in this management review section. Direct property yield (DPY) is calculated by dividing NOI by the acquisition value and subsequent capital expenditure of the property. The net initial yield (NIY) is calculated by dividing NOI by the market value of the property.

During Q3 2025, the average actual occupancy of the portfolio was 84.9% (Q2 2025: 82.6%). The occupancy rate increased to 85.6% as of 30 September 2025 (30 June 2025: 84.2%).

In alignment with recently implemented various cost-saving measures, and due to significant uncertainty around valuation parameters as well as ongoing leasing work in the majority of our assets, the Fund management with the consent of the Fund Supervisory Board opted not to undertake interim property valuations.

Overview of investment properties as of 30 September 2025

Property	Sector	Acqui- sition year	Fair value ¹ (EUR '000)	NLA (sq. m)	Direct property yield Q1-Q3 2025 ²	Net initial yield Q1-Q3 2025 ³	Occu- pancy rate	NOI development				
								Q1-Q3 2025	Q1-Q3 2024	2024	2023	2022
Europa SC	Retail	2015	36,521	17,530	1.7%	2.0%	71.8%	537	812	1,010	1,508	1,028
North Star	Office	2019	19,688	10,706	5.7%	6.2%	93.2%	917	1,066	1,374	1,495	1,371
Total Vilnius			56,209	28,236	3.0%	3.7%	79.9%	1,454	1,878	2,384	3,003	2,399
Upmalas Biroji	Office	2016	19,274	11,175	3.8%	4.8%	64.3%	686	625	823	1,318	1,763
Vainodes I	Office	2017	16,000	8,128	6.1%	8.4%	100.0%	1,007	1,065	1,432	1,431	1,383
S27	Office	2018	12,830	7,348	(1.0%)	(1.6%)	58.4%	(137)	7	(85)	814	1,132
Sky SC	Retail	2013	4,913	3,260	8.4%	9.0%	100.0%	332	332	446	420	423
Galerija Centrs	Retail	2019	61,119	20,016	3.5%	4.6%	89.0%	2,099	1,942	2,536	2,139	2,193
Total Riga			114,136	49,927	3.5%	4.7%	81.4%	3,987	3,971	5,152	6,122	6,894
Postimaja & Apollo Plaza complex	Retail	2018	21,876	9,232	3.5%	5.9%	100.0%	1,616	1,441	1,926	2,126	2,044
Postimaja & Apollo Plaza complex	Leisure	2015	13,196	7,877	7.2%	6.5%	100.0%					
Lincona	Office	2011	13,110	10,767	6.9%	8.5%	92.4%	834	775	1,038	1,068	1,102
Pirita SC	Retail	2016	9,793	5,425	6.6%	8.5%	94.5%	621	632	839	761	664
Total Tallinn			57,975	33,301	5.3%	7.1%	96.6%	3,071	2,848	3,803	3,955	3,810
Total active portfolio			228,320	111,464	3.9%	5.0%	85.6%	8,512	8,697	11,339	13,080	13,103
Total disposed properties ⁴⁻⁶								197	172	249	1,537	4,327
Total portfolio			228,320	111,464	3.9%	5.0%	85.6%	8,709	8,869	11,588	14,617	17,430

1. Based on the latest valuation as of 31 December 2024, recognized right-of-use assets and subsequent capital expenditure.
2. Direct property yield (DPY) is calculated by dividing annualized NOI by the acquisition value and subsequent capital expenditure of the property.
3. The net initial yield (NIY) is calculated by dividing annualized NOI by the market value of the property.
4. The Fund completed the disposal of the Duetto I and Duetto II properties on 6 June 2023.
5. The Fund completed the disposal of the Domus Pro Retail and Office complex on 6 March 2023.
6. The Fund completed the disposal of Meraki property on 13 March 2025.

The Fund’s portfolio produced EUR 8.7 million of net operating income (NOI) during Q1-Q3 2025 (Q1-Q3 2024: EUR 8.9 million). Like-for-like net rental change provides a more comparable view on the performance of the underlying assets, as these calculations exclude the impact of net rental growth or decline due to acquisitions, developments, or disposals.

During the first nine months of 2025, the net rental income of the portfolio on a like-for-like basis remained at similar level compared to the similar period of the prior year. Meraki business centre, disposed in March 2025, is shown separately. The property contributed EUR 197 thousand to the total NOI of the year.

The retail sector delivered a mixed performance during the period. Postimaja, SKY and Pirita recorded results in line with the previous year, while Galerija Centrs delivered an exceptional performance, with results increasing by 8%, driven primarily by successful leasing efforts that substantially reduced vacancy rates, alongside lower property operating costs. Meanwhile, Europa reported a 34% decline in results, mainly attributable to an increased allowance for bad debts booked as part of a more conservative debtor risk management approach. Notably, excluding the impact of the bad debt allowance, Europa’s net operating income would have increased by 7%. This drop represents a one-time, non-cash provision taken to mitigate future risk. Management anticipates no additional material bad debt provisions by year-end.

In Q1-Q3 2025 Apollo Plaza performance resulted in a significant increase of 47% compared to Q1-Q3 2024 due to property being fully leased out to Apollo.

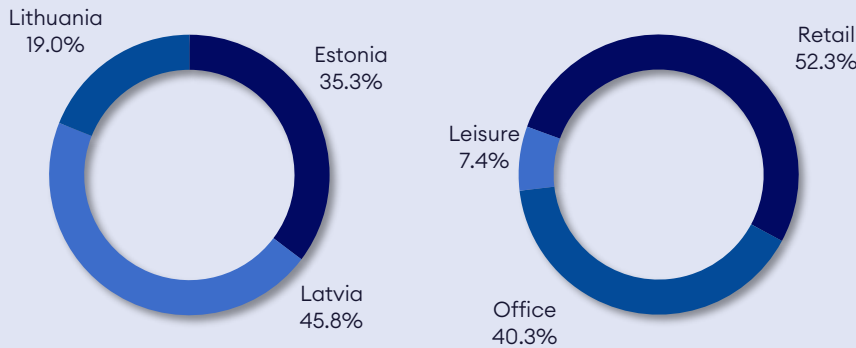
Within the office sector, a few properties showed improved performance. Lincona results exceeded the comparable period by 8%. This growth was primarily driven by a reduction in vacancies, as average occupancy rose to 92.5% in Q1-Q3 2025 compared to 85.3% in Q1-Q3 2024. Upmalas Biroji also had an improvement in NOI compared to last year by 10% due to a reduction in vacancies, as average occupancy rose to 64.2% in Q1-Q3 2025 compared to 59.5% in Q1-Q3 2024. At Upmalas Biroji, efforts are ongoing to identify and secure the most suitable tenants to fill the existing vacancies and fully capitalize on the property's potential.

The performance of Vainodes has slightly decreased in Q3 due to a discount provided to the anchor tenant at the end of the third quarter. Vainodes is fully leased to our long-term partner, Latvia’s State Forests, but a third of the space is to be vacated in 12 months.

North Star’s performance declined by approximately 14% during the period, primarily due to reduced rental income stemming from a lower occupancy rate—average of 91.9% in Q1-Q3 2025 compared to 96.9% in Q1-Q3 2024—as well as increased operating costs. Nevertheless, the property continues to attract interest from prospective tenants, supported by its central location and competitive rental rates. As a result, we anticipate a reduction in vacancies over the coming months.

Despite a notable decline in S27’s overall performance in 2025 due to high vacancy rates, the property began to show positive momentum as of August 2025. By the end of Q3, occupancy had reached 58.4%, marking a turning point in operational results.

Net rental income by country and segment Q1-Q3 2025



EPRA like-for-like net rental income by segment

EUR '000	Fair value 30.09. 2025	Net rental income Q1-Q3 2025	Net rental income Q1-Q3 2024	Change (EUR '000)	Change
Like-for-like assets					
Retail	134,222	4,557	4,718	(161)	(3.4%)
Office	80,902	3,307	3,538	(231)	(6.5%)
Leisure	13,196	648	441	207	46.9%
Total like-for-like assets	228,320	8,512	8,697	(185)	(2.1%)
Disposed assets	-	197	172	25	14.5%
Total portfolio assets	228,320	8,709	8,869	(160)	(1.8%)

EPRA like-for-like net rental income by country

EUR '000	Fair value 30.09. 2025	Net rental income Q1-Q3 2025	Net rental income Q1-Q3 2024	Change (EUR '000)	Change
Like-for-like assets					
Estonia	57,975	3,071	2,848	223	7.8%
Latvia	114,136	3,987	3,971	16	0.4%
Lithuania	56,209	1,454	1,878	(424)	(22.6%)
Total like-for-like assets	228,320	8,512	8,697	(185)	(2.1%)
Disposed assets	-	197	172	25	14.5%
Total portfolio assets	228,320	8,709	8,869	(160)	(1.8%)

Information is provided on a Like-for-Like basis to provide consistent comparison of the performance of properties that have been held throughout the entire reporting period. It provides an understanding about the true performance of the portfolio by excluding the impact of disposals.

Sustainability

Certification

Our portfolio is 100% BREEAM certified.

GRESB benchmarking

GRESB evaluation has become an integral self-evaluation tool and a guide for improvement and even contributes to the achievement of the sustainability goals for the Fund. GRESB Real Estate Assessment consists of two separate assessment modules: Management and Performance.

Due to the Fund's continuous effort to ensure robust data collection, reduction of CO2 emissions, and transitioning to renewable energy, the Fund received a 4-star GRESB rating in 2025. The progress that the Fund has made in this year's assessment is a direct result of these efforts.

Renewable energy

One of the Fund's long-term targets is achieving the operational carbon neutrality target. A key aspect in achieving our target by 2030 is ensuring that our portfolio assets are powered by clean and renewable energy sources. In order to secure renewable electricity for our buildings, the Fund has entered into power purchase agreements (PPA) to acquire wind and solar energy. The PPA for the Fund's property, North Star, has been effective since Q2 2024 and the properties receive most of their electricity from solar and wind farms. During Q1 2025, Fund's properties Europa, Galerija, Vainodes, Upmalas, LNK Centre and Sky started to receive part of their electricity from wind and solar farms. The Fund will track the share of renewable electricity and report it annually as part of the annual financial statement.

SFDR reporting

The Fund's pre-contractual disclosure under the SFDR was updated as of 7 November 2025 to remove references to Northern Horizon and to clarify that Scope 3 greenhouse gas emissions are not currently calculated or monitored due to insufficient data availability from tenants and third-party service providers to ensure reporting accuracy and reliability.

Green leases

Achieving our sustainability targets would be impossible without cooperation with our tenants. To ensure that our sustainability efforts will lead to a successful futureproofing of our real estate assets, we have started including green lease clauses in our standard lease agreements. Green lease clauses, which cover topics such as sustainable operations, information sharing, use of renewable energy sources, and other relevant topics, are important tools that enable long-term ESG oriented changes in our portfolio and facilitate collaboration with tenants on ESG matters. In the end of Q3 2025 our retail portfolio reached 98% coverage with green lease agreements. The office portfolio green lease coverage was 90%, making the total green lease coverage 95%.

Community health and wellbeing

Retail and office assets are integral to everyday life – that is why the Baltic Horizon Fund is actively engaged in promoting healthier lifestyles and empowering communities. In Q1-Q3 2025, the Fund's team implemented and supported various projects to forge partnerships and build community connections.

One highlight was the climate awareness event at Europa, where participants engaged in a green campaign by answering sustainability-themed questions for a chance to win small prizes. Europa also hosted the "Green Vilnius" exhibition, which featured photographs from both professional and amateur artists, celebrating the city's greenery, sustainable initiatives, and the creative perspectives of its residents. Additionally, in Q3, Europa organized an open event for women in collaboration with lecturer Lina Pranevskaja. This event focused on sharing experiences and fostering discussions around self-knowledge, the harmony of body and soul, and entrepreneurship within the beauty and wellness sector.

Galerija Centrs, in collaboration with the optical retailer Vizionette, hosted free eye examinations on Rīdzenes Street. This initiative made preventive health care available to all visitors and helped promote greater awareness of eye health.



Baltic Horizon Fund ESG report 2024

GRESB rating 2025



BREEAM certifications



BREEAM Very good

S27, North Star, Vainodes, Upmalas Biroji, Galerija Centrs, Europa

BREEAM Good

Pirita, Apollo Plaza, Postimaja, SKY, Lincona

Financial report

Financial position and performance of the Fund

Net result and net rental income

In Q1-Q3 2025, the Group recorded a net loss of EUR 959 thousand compared with a net loss of EUR 13,399 thousand for Q1-Q3 2024. Excluding last year's interim valuation loss, net loss for the prior year period was EUR 870 thousand. The result was mainly driven by the losses on disposal of investment properties. Earnings per unit for Q1-Q3 2025 were negative at EUR 0.01 (Q1-Q3 2024: negative at EUR 0.09).

The Group earned consolidated net rental income of EUR 8.7 million in Q1-Q3 2025 (Q1-Q3 2024: 8.9 million). The results for Q1-Q3 2025 include two months of net rental income of the Meraki office property (EUR 0.2 million), which was sold on 13 March 2025. A slight decline in net rental income year-on-year primarily reflects a higher allowance for bad debts recognised as part of a more conservative debtor risk management approach.

Portfolio properties in the retail segment contributed 52.3% (Q1-Q3 2024: 53.2%) of net rental income in Q1-Q3 2025, followed by the office segment with 40.3% (Q1-Q3 2024: 41.8%) and the leisure segment with 7.4% (Q1-Q3 2024: 5.0%).

Retail assets located in the central business districts (Postimaja, Europa and Galerija Centrs) accounted for 41.4% of total portfolio net rental income in Q1-Q3 2025. Total net rental income attributable to neighbourhood shopping centres was 10.9% in Q1-Q3 2025.

In Q1-Q3 2025, investment properties in Latvia and Lithuania contributed 45.8% (Q1-Q3 2024: 44.8%) and 19.0% (Q1-Q3 2024: 23.1%) of net rental income, respectively, while investment properties in Estonia contributed 35.3% (Q1-Q3 2024: 32.1%).

Gross Asset Value (GAV)

As of 30 September 2025, the Fund's GAV was EUR 237.7 million (31 December 2024: EUR 256.0 million). The decrease compared to the prior year was mainly related to the disposal of the Meraki office building, which had contributed approx. EUR 16.4 million to the GAV.

Investment properties

At the end of Q3 2025, the Baltic Horizon Fund portfolio consisted of 11 investment properties in the Baltic capitals. The fair value of the Fund's portfolio was EUR 228.3 million at the end of September 2025 (31 December 2024: EUR 241.2 million) and incorporated a total net leasable area of 111.5 thousand sq. m. During Q1-Q3 2025 the Group invested approximately EUR 3.4 million in tenant fit-outs.

Interest-bearing loans and bonds

As of 30 September 2025, interest-bearing loans and bonds (excluding lease liabilities) were EUR 134.5 million (31 December 2024: EUR 149.0 million).

As of 30 September 2025, the Fund's consolidated cash and cash equivalents amounted to EUR 6.0 million (31 December 2024: EUR 10.1 million).

Cash flow

Cash inflow from core operating activities in Q1-Q3 2025 amounted to EUR 5.8 million (Q1-Q3 2024: cash inflow of EUR 6.6 million). Cash inflow from investing activities was EUR 11.8 million (Q1-Q3 2024: cash outflow of EUR 4.3 million) mainly due to the sale of Meraki in March 2025 for EUR 16 million and higher capital expenditure on investment properties. Cash outflow from financing activities was EUR 21.6 million (Q1-Q3 2024: cash inflow of EUR 1.5 million). In Q1-Q3 2025, the Fund repaid the BH Novus UAB (previously BH Meraki UAB) loan amounting to EUR 10.3 million, redeemed early bonds in the amount of EUR 3 million, prepaid EUR 1.7 million of loans, and paid regular amortisation and interest on bank loans and bonds.

Net Asset Value (NAV)

As of 30 September 2025, the Fund's NAV was EUR 97.2 million (31 December 2024: EUR 98.1 million). The NAV decrease was mainly due to losses on disposal of Meraki. As of 30 September 2025, IFRS NAV per unit amounted to EUR 0.6773 (31 December 2024: EUR 0.6833), while EPRA net tangible assets and EPRA net reinstatement value were EUR 0.7224 per unit (31 December 2024: EUR 0.7267). EPRA net disposal value was EUR 0.6745 per unit (31 December 2024: EUR 0.6797).

Key earnings figures

EUR '000	Q1-Q3 2025	Q1-Q3 2024	Change (%)
Net rental income	8,709	8,869	(1.8%)
Administrative expenses	(1,519)	(1,729)	(12.1%)
Net other operating income (expenses)	39	15	160.0%
Losses on disposal of investment properties	(1,350)	(618)	118.4%
Valuation losses on investment properties	(13)	(12,529)	(99.9%)
Operating profit (loss)	5,866	(5,992)	197.9%
Net financial expenses	(7,061)	(7,724)	(8.6%)
Loss before tax	(1,195)	(13,716)	(91.3%)
Income tax	236	317	(25.6%)
Profit (loss) for the period	(959)	(13,399)	(92.8%)
Number of units outstanding (units)	143,562,514	143,562,514	-
Earnings per unit (EUR)	(0.01)	(0.09)	(88.9%)

Key financial position figures

EUR '000	30.09.2025	31.12.2024	Change (%)
Investment properties	228,320	241,158	(5.3%)
Gross asset value (GAV)	237,694	256,048	(7.2%)
Interest-bearing loans and bonds	134,475	148,989	(9.7%)
Total liabilities	140,465	157,953	(11.1%)
IFRS NAV	97,229	98,095	(0.9%)
EPRA NRV	103,714	104,333	(0.6%)
Number of units outstanding (units)	143,562,514	143,562,514	-
IFRS NAV per unit (EUR)	0.6773	0.6833	(0.9%)
EPRA NRV per unit (EUR)	0.7224	0.7267	(0.6%)
Loan-to-Value ratio (%)	60.1%	61.8%	(1.7%)
Average effective interest rate (%)	6.2%	6.7%	(0.5%)

Financing

The Fund currently aims to use a 50% long-term leverage strategy. At no point in time may the Fund's leverage exceed 65%. The ability to borrow on attractive terms plays a major role in the investment strategy and cash distributions to unitholders.

Bank loans and bonds

During Q1-Q3 2025, regular bank loan amortisation was 0.1% p.a. As of the end of Q1-Q3 2025, the LTV ratio decreased to 60.1%, compared to 61.8% as of 31 December 2024. The average interest rate as of 30 September 2025 decreased to 6.2% on a year-to-date basis (31 December 2024: 6.7%), with a further decline to 5.9% observed in the third quarter. The management team is actively engaged in initiatives aimed at reducing the LTV ratio to approx. 55% in the short-term and 50% in the long-term.

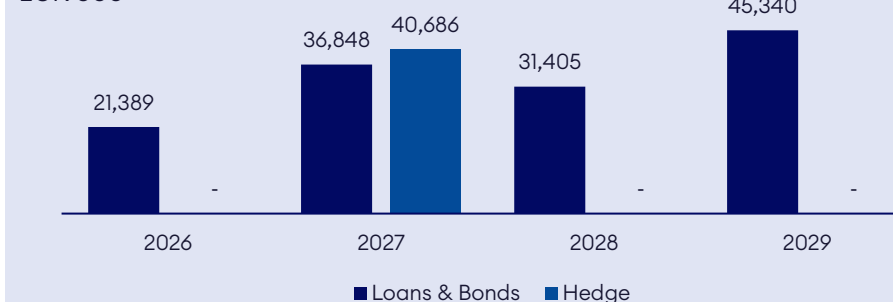
The table on the right provides a detailed breakdown of the structure of the Fund's consolidated financial debt as of 30 September 2025. Interest-bearing debt was comprised of bank loans with a total carrying value of EUR 116.0 million and bonds with a carrying value of EUR 19.0 million. 100% of the debt instruments were denominated in euros. Bank loans have been obtained by subsidiaries that hold the Fund's properties and the properties have been pledged as loan collateral. The parent entity holds the 5-year unsecured bonds. Loan arrangement costs are capitalised and amortised over the terms of the respective loans. As of 30 September 2025, the unamortised balance of loan arrangement costs for all loans and bonds was EUR 507 thousand.

The weighted average debt term to maturity was 2.5 years and the weighted average hedge term to maturity was 2.1 years as of 30 September 2025.

Financial debt structure of the Fund as of 30 September 2025

Property	Maturity	Currency	Carrying amount (EUR '000)	% of total	Hedged portion (%)
Galerija Centrs	26 August 2027	EUR	28,310	21.0%	93%
Apollo Plaza and Postimaja	15 November 2029	EUR	20,873	15.5%	0%
Europa SC	31 January 2029	EUR	15,555	11.5%	0%
Upmalas Biroji BC	2 August 2028	EUR	9,850	7.3%	0%
Vainodes I	31 March 2026	EUR	9,738	7.2%	0%
North Star	5 February 2029	EUR	8,912	6.6%	0%
Lincona	31 December 2027	EUR	8,538	6.3%	94%
S27	31 March 2026	EUR	7,365	5.4%	0%
Pirita SC	20 February 2026	EUR	4,286	3.2%	94%
Sky SC	31 January 2028	EUR	2,555	1.9%	92%
Total bank loans		EUR	115,982	85.9%	
Less capitalised loan arrangement fees ¹		EUR	(112)		
Total bank loans recognised in the statement of financial position		EUR	115,870		
5-year unsecured bonds (long-term) 8 May 2028		EUR	19,000		
Total bonds		EUR	19,000	14.1%	
Less capitalised bond arrangement fees ¹		EUR	(395)		
Total bonds recognised in the statement of financial position		EUR	18,605		
Total debt recognised in the statement of financial position		EUR	134,475	100.0%	

Maturity terms of loans, bonds and hedges as of 30 September 2025



1. Amortised each month over the term of a loan/bond.

Hedging policy and new hedges

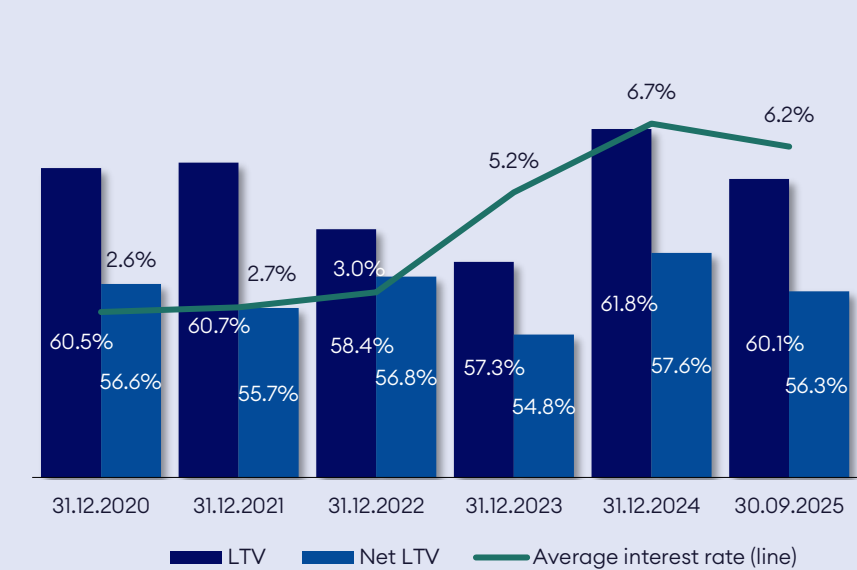
As of 30 September 2025, 30.1% of total debt was hedged against interest rate risk while the remaining 69.9% had floating interest rates. The Fund hedges interest rates on a portion of its debt by acquiring IRS-type hedging instruments or limits the impact of rising interest rates with interest rate cap instruments (CAP).

Covenant reporting

As of 30 September 2025, the Fund was in compliance with all the covenants set under the bond issue terms and conditions dated 8 May 2023 and amended on 26 September 2024.

As of 30 September 2025, the Fund was in compliance with all special conditions and covenants set under the bank loan agreements except for the Galerija Centrs, Europa, Vainodes, S27 and SKY properties, but this did not result in any consequences because the necessary waivers have already been secured for all loans.

LTV and average interest rate as of 30 September 2025



Financial covenants of secured bonds issued at the Fund level as of 30 September 2025

Equity Ratio

Equity divided by total assets.

Debt Service Coverage Ratio

EBITDA divided by the principal payments and interest expenses of interest-bearing debt obligations, on a rolling 12-month basis.

Covenant	Requirement	Ratio 30.09.2025
Equity Ratio	> 37.5%*	40.9%
Debt Service Coverage Ratio	> 1.00**	1.02

* Equity ratio must be above 35.0% until the collateral has been released and thereafter above 37.5 %.

** As stated in Bond Terms and Conditions amended on 26 September 2024, the DSCR of the Group must be above 0.75 for the period from 30 September 2024 to 30 June 2025, above 1.00 for the period from 1 July 2025 to 30 September 2026 and above 1.20 afterwards.

EPRA performance measures

EPRA performance metrics

The European Public Real Estate Association (EPRA) publishes recommendations for disclosing and defining the main financial performance indicators applicable to listed real estate companies. Baltic Horizon supports the standardisation of reporting designed to improve the quality and comparability of information to investors.

The Group reports EPRA Earnings, EPRA NRV, NTA, NDV and EPRA LTV measures on a quarterly basis, while other EPRA measures are reported semi-annually.

Europa Shopping Center



EPRA Net asset value 30.09.2025

EUR '000	EPRA NRV	EPRA NTA	EPRA NDV
IFRS NAV	97,229	97,229	97,229
<i>Exclude:</i>			
V. Deferred tax liability on investment properties ¹	6,158	6,158	-
V. Deferred tax on fair value of financial instruments	(10)	(10)	-
VI. Fair value of financial instruments	337	337	-
<i>Include:</i>			
IX. Revaluation at fair value of fixed-rate loans	-	-	(395)
NAV	103,714	103,714	96,834
Fully diluted number of units	143,562,514	143,562,514	143,562,514
NAV per unit (EUR)	0.7224	0.7224	0.6745

1. All deferred taxes attributable to investment properties have been excluded from EPRA NTA calculations as the Fund intends to hold and does not intend to sell its investment properties in Lithuania.

EPRA Net asset value 31.12.2024

EUR '000	EPRA NRV	EPRA NTA	EPRA NDV
IFRS NAV	98,095	98,095	98,095
<i>Exclude:</i>			
V. Deferred tax liability on investment properties ¹	5,818	5,818	-
V. Deferred tax on fair value of financial instruments	(18)	(18)	-
VI. Fair value of financial instruments	438	438	-
<i>Include:</i>			
IX. Revaluation at fair value of fixed-rate loans	-	-	(510)
NAV	104,333	104,333	97,585
Fully diluted number of units	143,562,514	143,562,514	143,562,514
NAV per unit (EUR)	0.7267	0.7267	0.6797

1. All deferred taxes attributable to investment properties have been excluded from EPRA NTA calculations as the Fund intends to hold and does not intend to sell its investment properties in Lithuania.

For EPRA indicators and definitions, please refer to the EPRA indicators and definitions overview in the [Definitions and abbreviations](#) section.

Baltic Horizon wins EPRA Gold award

Baltic Horizon Fund received a prestigious award at the European Public Real Estate Association (EPRA) annual conference 2025 for the sixth year in a row.

The Fund scored a Gold Award for the adoption of EPRA Best Practices Recommendations (BPR) – widely accepted industry standards for the highest level of transparency, comparability and compliance in financial reporting. EPRA assessed the financial statements of 178 European listed real estate entities as part of its annual award process.

EPRA Earnings Q3 2025

EUR '000	Q3 2025	Q3 2024	Q1-Q3 2025	Q1-Q3 2024
Net result IFRS	(68)	(550)	(959)	(13,399)
Exclude:				
I. Changes in fair value of investment properties	4	5	13	12,529
II. Profits or losses on disposal of investment properties	254	171	1,350	618
VIII. Deferred tax in respect of EPRA adjustments	(49)	87	(239)	(317)
EPRA Earnings	141	(287)	165	(569)
Weighted number of units during the period	143,562,514	122,236,199	143,562,514	120,508,680
EPRA Earnings per unit	0.00	0.00	0.00	0.00

EPRA LTV as of 30 September 2025

EUR '000	30.09.2025	31.12.2024
Net debt		
Include:		
Borrowings from financial institutions	115,982	127,630
Bond loans	19,000	22,000
Net payables	213	1,463
Exclude:		
Cash and cash equivalents	(6,020)	(10,053)
Net debt (A)	129,175	141,040
Property value		
Include:		
Investment properties at fair value	228,320	241,158
Total property value (B)	228,320	241,158
EPRA LTV (A/B)	56.6%	58.5%

Investor relations

Baltic Horizon Fund units are currently listed on the Fund List of the Nasdaq Tallinn Stock Exchange. Trading with Baltic Horizon units on the Nasdaq Tallinn Stock Exchange began on 6 July 2016. From 23 December 2016 until 31 October 2022 Baltic Horizon Fund units were also listed on the Nasdaq Stockholm Alternative Investment Funds market. Trading with the Swedish depository receipts (the “SDRs”) on the Nasdaq Stockholm Stock Exchange commenced on 31 October 2022, and concluded on 8 October 2025. As of 8 October 2025, the fund’s Swedish Depository Receipts (“SDRs”) were delisted from Nasdaq Stockholm and the Fund remains listed only on Nasdaq Tallinn.

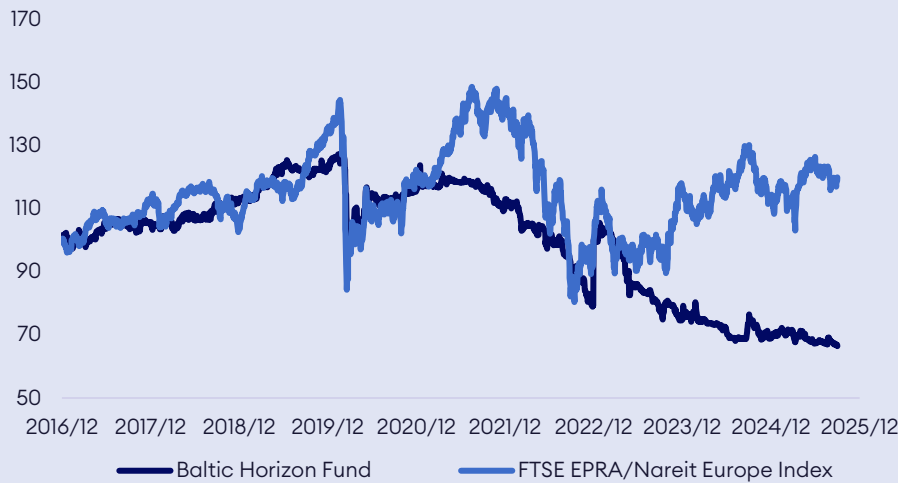
Trading information

As of 30 September 2025, the market capitalisation for Baltic Horizon Fund was approx. EUR 32.3 million (31 December 2024: EUR 36.2 million) based on the closing unit market prices on the Nasdaq Tallinn Stock Exchange. During Q1-Q3 2025, Baltic Horizon Fund units on the Nasdaq Tallinn Stock Exchange were trading at a discount compared to the net asset value per unit. At the end of September 2025, the closing unit price on the Nasdaq Tallinn Stock Exchange was EUR 0.2250.

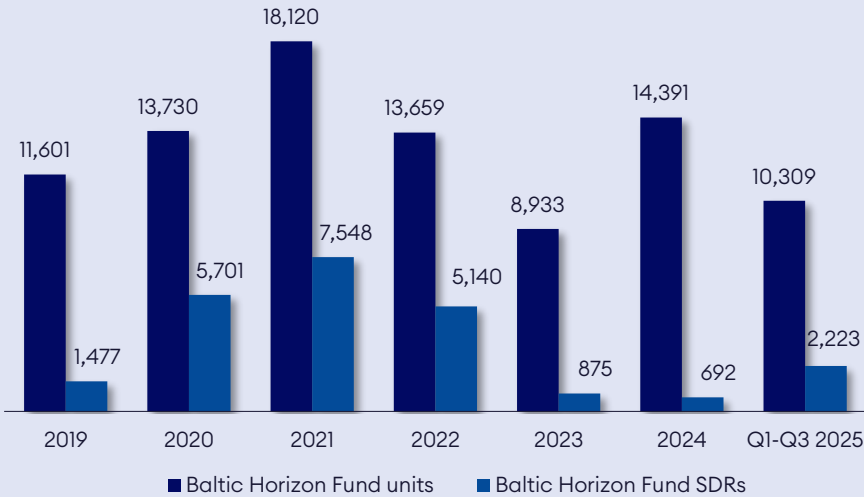
Baltic Horizon Fund’s total shareholder return on the unit during Q1-Q3 2025 amounted to -10.7%. Total shareholder return for a given period is equivalent to the movement in the unit price on the Nasdaq Tallinn Stock Exchange over the period plus dividends paid, divided by the opening unit price.

The second graph shows the Baltic Horizon Fund units’ annual trading volume on the Nasdaq Tallinn and the Nasdaq Stockholm Stock Exchanges.

Development of the Baltic Horizon Fund total return on the Nasdaq Tallinn Stock Exchange (%)



Annual trading volume on Nasdaq Tallinn and Stockholm Stock Exchanges ('000 Units)



Key figures

EUR '000	30.09.2025	31.12.2024
Number of units issued (units)	143,562,514	143,562,514
Market capitalisation ¹ (EUR)	32,301,566	36,192,110
IFRS NAV per unit (EUR)	0.6773	0.6833
Unit price discount from IFRS NAV per unit ² (%)	(66.8%)	(63.1%)
EPRA NRV per unit (EUR)	0.7224	0.7267
Unit price discount from EPRA NRV per unit ³ (%)	(68.9%)	(65.3%)
Nasdaq Tallinn:		
Highest unit price during the period (EUR)	0.2540	0.3730
Lowest unit price during the period (EUR)	0.2230	0.2410
Closing unit price (EUR)	0.2250	0.2521
Nasdaq Stockholm:		
Highest unit price during the period (SEK)	2.54	3.58
Lowest unit price during the period (SEK)	1.77	2.48
Closing unit price (SEK)	1.77	2.76

1. Based on the closing prices and split between units on the Nasdaq Tallinn Stock Exchange.
2. Based on the closing price on the Nasdaq Tallinn Stock Exchange and the IFRS NAV per unit at the end of period.
3. Based on the closing price on the Nasdaq Tallinn Stock Exchange and the EPRA NRV per unit at the end of period.

During Q1-Q3 2025, Baltic Horizon Fund units on the Nasdaq Tallinn Stock Exchange were trading at a discount compared to the net asset value per unit. At the end of September 2025, units were traded at a 66.8% discount compared to the IFRS NAV per unit and 68.9% discount compared to the EPRA NRV per unit. This presents a distinctive opportunity for investors, who may anticipate the share price to converge towards NAV levels, a pattern observed in the Fund’s trading history from 2016 to 2021. The first graph shows the Baltic Horizon Fund unit price in relation to its IFRS net asset value since 2020.

Dividend capacity

According to the Fund Rules issued as of 23 May 2016, a distribution to investors will be made if all of the following conditions are met:

- The Fund has retained such reserves as required for the proper running of the Fund;
- The distribution does not endanger the liquidity of the Fund;
- The Fund has made the necessary follow-on investments in existing properties, i.e. investments in the development of the existing properties of the Fund, and new investments. The total of the Fund’s annual net income that may be retained for making such investments is 20% of the Fund’s annual net income of the previous year.

The Fund sets a target of dividend distributions to its unitholders in the range between 80% of generated net cash flow (GNCF) and net profit after unrealized P&L items are adjusted. The distribution is based on the Fund’s short-term and long-term performance projections. Management has discretion to distribute lower dividends than 80% of generated net cash flow (GNCF) if the liquidity of the Fund is endangered.

The Management Company of Baltic Horizon Fund has approved changes to cash distribution frequency. Starting from July 2022, Baltic Horizon Fund’s quarterly cash distribution frequency was changed. At the Annual General Meeting the decision was announced to withhold the dividend payments in 2025 to strengthen the Fund and its asset performance.

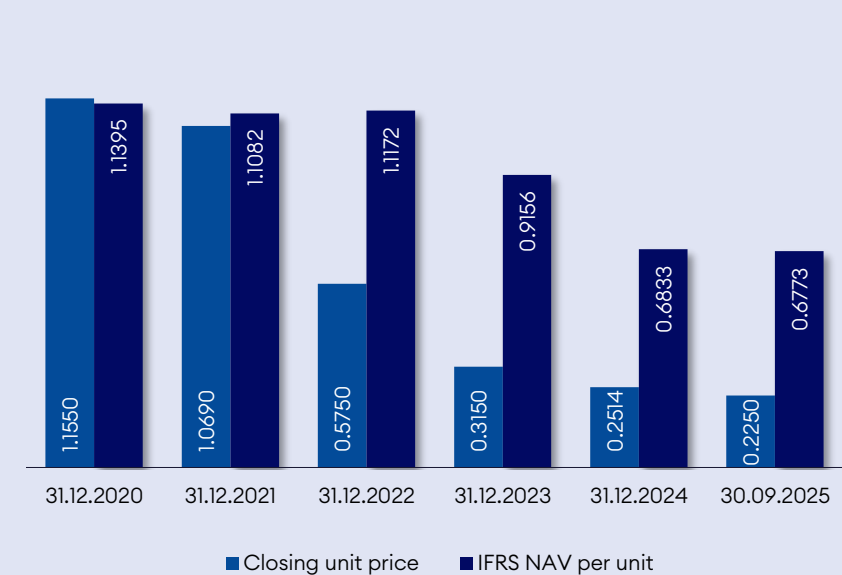
Dividend payments however are not likely until sustainable capital structure is restored and turnaround work on the properties is completed.

Generated net cash flow (GNCF) calculation formula

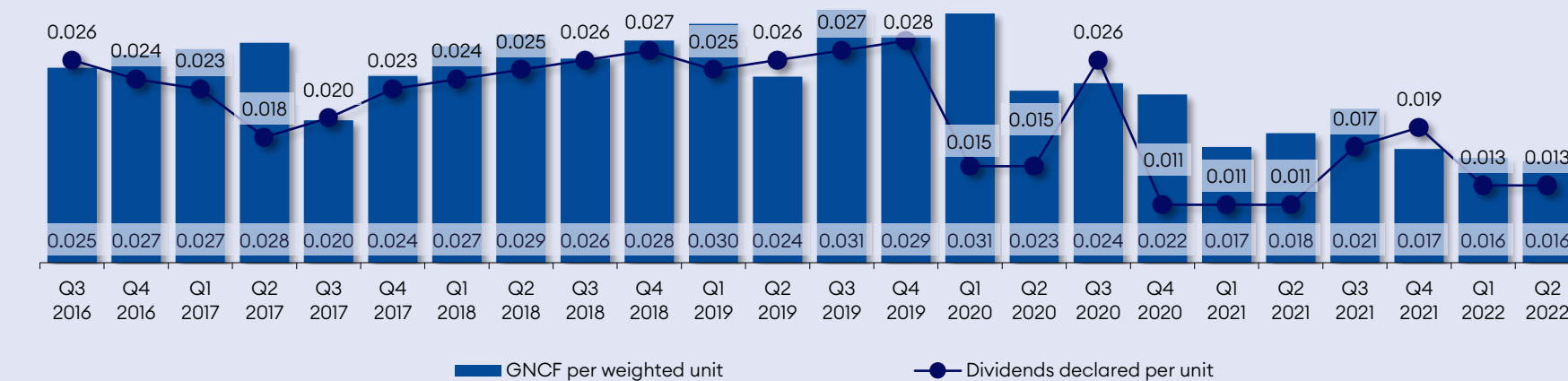
Item	Comments
(+) Net rental income	
(-) Fund administrative expenses	
(-) External interest expenses	Interest expenses incurred for bank loan financing
(-) CAPEX expenditure	The expenditure incurred in order to improve investment properties; the calculation will include capital expenditure based on annual capital investment plans
(+) Extraordinary income related to investment properties	
(+) Added back listing related expenses	
(+) Added back acquisition related expenses	Include the expenses for acquisitions that did not occur

Generated net cash flow (GNCF)

Nasdaq Tallinn unit price compared with NAV (EUR)



Dividend per unit (EUR)



Structure and governance

Baltic Horizon Fund is a closed-end contractual investment fund registered in Estonia on 23 May 2016. The Fund is defined as a real estate fund under the Estonian Investment Funds Act. The Fund cannot enter into agreements on its own. The unitholders own all the Fund's assets. The Fund has no employees except for the general directors of Lithuanian subsidiaries (2 at the reporting date) as required by Lithuanian law.

The Fund is managed by the Management Company, which is Baltic Horizon Capital AS (previously Northern Horizon Capital AS). The immediate team comprises of the Management Board, which is headed by the Fund Manager, and the Supervisory Board of the Management Company. The Fund also has its own Supervisory Board, which comprises of 3 independent board members.

Commitment to corporate governance is rooted in the Management Company's focus on long-term business relations with investors, partners, and tenants. In all relations, the Management Company encourages a professional and open dialogue based on mutual trust and strives to earn the respect of its business partners through strong commitment, transparency and fair dealings.

The investor's best interest is always considered by the Management Company to make sure that the investor is treated fairly. The Management Board ensures that conflicts of interests between related parties are avoided or are as small as possible.

The Management Company is obliged to establish, maintain and document procedures to identify, prevent and manage conflicts of interest and, when necessary, issue supplementing instructions to the policies, instructions and guidelines.

Governance structure



Management Board and Supervisory Board of the Management Company

The Management Board bears overall responsibility for the daily business of Baltic Horizon Fund. The Management Company’s Management Board is composed of two members. The Management Board is supervised and advised by the Supervisory Board of the Management Company.

Supervisory Board of the Fund

The Fund has a Supervisory Board which consists of qualified members with recognised experience in the real estate markets in Estonia, Latvia, and Lithuania, impeccable reputation and appropriate education. In accordance with the Fund Rules, members of the Supervisory Board are appointed by the General Meeting for a period of at least two years. The Supervisory Board consists of three to five members. The current Supervisory Board members have been elected for a two-year period.

The Supervisory Board acts solely in an advisory capacity and the Management Company remains responsible for making the decisions in connection with the Fund’s management. The Supervisory Board members fulfil their consultation responsibilities collectively.

Supervisory Board members are entitled to remuneration for their service in the amount determined by the General Meeting. The former chairman of the Supervisory Board acting until 30 April 2025 was entitled to an annual remuneration of EUR 15,000 and a regular member was entitled to an annual remuneration of EUR 11,000, whilst the newly appointed chairman of the Supervisory Board acting from 1 May 2025 is entitled to an annual remuneration of EUR 36,000 and a regular member is entitled to an annual remuneration of EUR 11,000.

The Fund administration services are provided by the Management Company. Accounting and depository services have been outsourced to Swedbank AS.

Bios of the members of the Management Board of the Management Company

Tarmo Karotam
Chairman of the Management Board / Fund Manager



Tarmo Karotam is the Fund Manager of Baltic Horizon Fund. He is a long-time member of Baltic Horizon Capital’s investment management team and acted as the Fund Manager for BOF, which was the predecessor fund to Baltic Horizon Fund. Tarmo has many years of experience from the Baltic real estate sector. He graduated from EHL Hospitality Business School (B.Sc.) in 2005 and is a member of RICS (MRICS).

Gerda Bliuvienė
Member of the Management Board / Head of Fund finance and administration



Gerda Bliuvienė is the Head of Fund finance and administration of Baltic Horizon Fund. She previously served as the Head of Business Control at Grinvest Group. Prior to this role, she spent ten years with the Northern Horizon Group, where she was a Fund Controller and Senior Analyst. Gerda holds a Master’s degree in Economics Policy from the University of Vilnius (2017).

Valuations

The real estate property valuation policies of the Fund are determined in the Fund Rules based on common market practice. Only a licensed independent real estate appraiser of high repute and sufficient experience in appraising similar property and operating in the country where the relevant real estate property is located may evaluate real estate belonging to the Fund.

Each potential acquisition opportunity is subject to extensive commercial, legal, technical and financial/tax due diligence performed by the Management Company in cooperation with reputable local and international advisers.

Audit

The auditor of the Fund is KPMG Baltics OÜ, which is a member of the Estonian Association of Auditors. In addition to statutory audit services, KPMG Baltics OÜ has provided the Fund with other assurance services. KPMG was selected as the auditor for another 3-year term through a rigorous public tendering process held in May 2025, ensuring that their values and expertise align with the commitment to excellence and transparency. Several reputable firms were considered, recognizing that their extensive experience, global reach, and high standards of professionalism make them well-suited to meet the auditing needs.

The Fund’s activities are monitored on a regular basis by the Estonian Financial Supervision and Resolution Authority and the Supervisory Board of the Fund.

Bios of the members of the Supervisory Board of the Fund

Andrius Smaliukas
Chairman of the Supervisory Board

Dr. Smaliukas is the Managing Partner at MMSP, a Lithuanian law firm focused on strategic corporate advisory and dispute resolution. He previously partnered at one of the leading Pan-Baltic firm, Valiunas Ellex, and holds nearly 20 years of experience as an arbitrator and international arbitration lead counsel. Dr. Smaliukas earned his Ph.D. and Master of Laws from Vilnius University, conducted postgraduate research at Oxford, and completed executive programs at Cambridge Judge Business School and Harvard Law School. Dr. Smaliukas serves on the boards of Staticus Group, Kesko Senukai, has extensive advisory experience in commercial real estate M&A and investment management across the Baltic countries.

Milda Dargužaitė
Member of the Supervisory Board

Milda Dargužaitė is the former CEO of Northern Horizon Capital A/S. She was responsible for managing the company’s operations and strategic direction, including the development of new funds and investment vehicles. Milda has significant experience in both the public and private sectors, locally and internationally. She joined the company in 2018 after roles as the Chancellor at the Lithuanian Prime Minister’s Office, Managing Director of Invest Lithuania, and advisor to the Lithuanian Minister of Economy. Milda has a wealth of experience in finance and portfolio management from her time at Goldman Sachs in New York and Barclays in London. Milda Dargužaitė was the supervisory board member of Baltic Horizon Capital AS (previously Northern Horizon Capital AS) from July 2018 until September 2023.

Professor Per V. Jenster
Member of the Supervisory Board

Dr. Per V. Jenster, Danish, received his PH.D from University of Pittsburgh, has a life-long vocation in real estate (20 years in the Baltics), along side a career as business professor i.a. at IMD, Copenhagen Business School and CEIBS in Shanghai. Per V. Jenster is a Professor Emeritus and International Dean of China’s first National Interdisciplinary Institute for Aging Research, Southwest Jiaotong University, and is currently Chairman at Center for International Management & Industrial Development, Switzerland. Per V. Jenster has recently retired a Chairman at Niche Masters Fund after serving 10 years as head of the board of the investment company.

Financial calendar 2025



15 October	■ NAV September
6 November	■ Interest rate applicable to the bonds for the next interest period
7 November	■ Interim Financial Statements for 9 months of 2025
17 November	■ NAV October
15 December	■ NAV November



Stay up to date with Baltic Horizon
Register on www.baltichorizon.com to receive Nasdaq announcements and other news from Baltic Horizon Fund about projects, plans and more. You can also follow us on www.baltichorizon.com and on [LinkedIn](#), [Facebook](#), [X](#), and [YouTube](#).

Management Board's confirmation

Members of the Management Board of the Management Company Tarmo Karotam and Gerda Bliuvienė confirm that according to their best knowledge, the condensed consolidated interim financial statements for nine months of 2025, prepared in accordance with IFRS as adopted by the European Union, present a correct and fair view of the assets, liabilities, equity, financial position, financial performance and cash flows of the Fund and its subsidiaries, taken as a whole, and the management report gives a true and fair view of the development, the results of the business activities and the financial position of the Fund and its subsidiaries, taken as a whole, as well as of the significant events which took place during the nine months of 2025 and their effect on the condensed consolidated interim accounts.

Consolidated financial statements



Consolidated statement of profit or loss and other comprehensive income

EUR '000	Notes	01.07.2025 - 30.09.2025	01.07.2024 - 30.09.2024	01.01.2025 - 30.09.2025	01.01.2024 - 30.09.2024
Rental income		3,833	3,690	11,361	11,357
Service charge income	5	1,233	1,236	3,782	3,599
Cost of rental activities	5	(2,435)	(2,040)	(6,434)	(6,087)
Net rental income	4	2,631	2,886	8,709	8,869
Administrative expenses	6	(450)	(615)	(1,519)	(1,729)
Other operating income (expenses)		13	31	39	15
Losses on disposal of investment properties		(254)	(171)	(1,350)	(618)
Valuation losses on investment properties	10	(4)	(5)	(13)	(12,529)
Operating profit (loss)		1,936	2,126	5,866	(5,992)
Financial income		5	8	65	27
Financial expenses	7	(2,058)	(2,597)	(7,126)	(7,751)
Net financial expenses		(2,053)	(2,589)	(7,061)	(7,724)
Profit (loss) before tax		(117)	(463)	(1,195)	(13,716)
Income tax charge	4, 9	49	(87)	236	317
Profit (loss) for the period	4	(68)	(550)	(959)	(13,399)

The accompanying notes are an integral part of these consolidated financial statements.

EUR '000	Notes	01.07.2025 - 30.09.2025	01.07.2024 - 30.09.2024	01.01.2025 - 30.09.2025	01.01.2024 - 30.09.2024
Other comprehensive income that is or may be reclassified to profit or loss in subsequent periods					
Net gains (losses) on cash flow hedges	13b	159	(238)	101	(557)
Income tax relating to net loss on cash flow hedges	13b, 9	(1)	17	(8)	51
Other comprehensive loss, net of tax, that is or may be reclassified to profit or loss in subsequent periods		158	(221)	93	(506)
Total comprehensive loss for the period, net of tax		90	(771)	(866)	(13,905)
Basic earnings per unit (EUR)	8	(0.00)	(0.00)	(0.01)	(0.11)
Diluted earnings per unit (EUR)	8	(0.00)	(0.00)	(0.01)	(0.09)

Consolidated statement of financial position

EUR '000	Notes	30.09.2025	31.12.2024
Non-current assets			
Investment properties	4, 10	228,320	241,158
Intangible assets		-	4
Property, plant and equipment		1	5
Derivative financial instruments	19	-	1
Other non-current assets		941	1,225
Total non-current assets		229,262	242,393
Current assets			
Trade and other receivables	11	2,005	2,800
Prepayments		407	802
Cash and cash equivalents	12	6,020	10,053
Total current assets		8,432	13,655
Total assets	4	237,694	256,048
Equity			
Paid in capital	13a	151,495	151,495
Cash flow hedge reserve	13b	(327)	(420)
Retained earnings		(53,939)	(52,980)
Total equity		97,229	98,095

The accompanying notes are an integral part of these consolidated financial statements.

EUR '000	Notes	30.09.2025	31.12.2024
Non-current liabilities			
Interest-bearing loans and borrowings	14	110,296	98,491
Deferred tax liabilities	9	1,684	1,898
Derivative financial instruments	19	273	-
Other non-current liabilities		1,179	1,446
Total non-current liabilities		113,432	101,835
Current liabilities			
Interest-bearing loans and borrowings	14	24,408	50,736
Trade and other payables	15	2,306	4,473
Income tax payable		-	14
Derivative financial instruments	19	-	317
Other current liabilities		319	578
Total current liabilities		27,033	56,118
Total liabilities	4	140,465	157,953
Total equity and liabilities		237,694	256,048

Consolidated statement of changes in equity

EUR '000	Notes	Paid in capital	Cash flow hedge reserve	Retained earnings	Total equity
As of 1 January 2024		145,200	531	(36,199)	109,532
Comprehensive income (loss)					
Net loss for the period		-	-	(16,781)	(16,781)
Other comprehensive loss		-	(951)	-	(951)
Total comprehensive loss		-	(951)	(16,781)	(17,732)
Capital increase		6,295	-	-	6,295
As of 31 December 2024		151,495	(420)	(52,980)	98,095
As of 1 January 2025		151,495	(420)	(52,980)	98,095
Comprehensive income (loss)					
Net loss for the period		-	-	(959)	(959)
Other comprehensive loss	13b	-	93	-	93
Total comprehensive loss		-	93	(959)	(866)
As of 30 September 2025		151,495	(327)	(53,939)	97,229

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated statement of cash flows

EUR '000	Notes	01.01.2025 - 30.09.2025	01.01.2024 - 30.09.2024
Cash flows from core activities			
Profit (loss) before tax		(1,195)	(13,716)
Adjustments for non-cash items:			
Value adjustment of investment properties	10	13	12,529
Losses on disposal of investment properties		1,350	618
Value adjustment of derivative finance instruments		(43)	-
Depreciation of property, plant and equipment		8	-
Change in impairment losses for trade receivables	11	520	9
Financial income		(65)	(27)
Financial expenses	7	7,126	7,751
Working capital adjustments:			
Change in trade and other accounts receivable		275	(563)
Change in other current assets		395	(258)
Change in other non-current liabilities		(267)	282
Change in trade and other accounts payable		(2,044)	265
Change in other current liabilities		(259)	(267)
Income tax paid		(16)	-
Total cash flows from core activities		5,798	6,623

The accompanying notes are an integral part of these consolidated financial statements.

EUR '000	Notes	01.01.2025 - 30.09.2025	01.01.2024 - 30.09.2024
Cash flows from investing activities			
Interest received		65	28
Proceeds from disposal of investment property		15,302	(618)
Investment property development expenditure		-	(199)
Capital expenditure on investment properties		(3,555)	(3,524)
Total cash flows from investing activities		11,812	(4,313)
Cash flows from financing activities			
Proceeds from bank loans		490	17,177
Repayment of bank loans		(12,136)	(1,904)
Repayment of bonds		(3,000)	(12,500)
Transaction costs related to loans and borrowings		(15)	(158)
Proceeds from issue of units		-	6,295
Repayment of lease liabilities		(10)	(14)
Interest paid		(6,972)	(7,381)
Total cash flows from financing activities		(21,643)	1,515
Net change in cash and cash equivalents		(4,033)	3,825
Cash and cash equivalents at the beginning of the year		10,053	6,182
Cash and cash equivalents at the end of the period		6,020	10,007

Notes to the consolidated financial statements

1. Corporate information

Baltic Horizon Fund is a regulated closed-end contractual investment fund registered in Estonia on 23 May 2016. The Fund is managed by Baltic Horizon Capital AS (previously Northern Horizon Capital AS). Both the Fund and the Management Company are supervised by the Estonian Financial Supervision and Resolution Authority. The Depositary of the Fund is Swedbank AS. The Fund is the ultimate parent and controlling entity of the group comprising the Fund and its subsidiaries (the “Group” or the “Fund”).

The Fund is a public fund with no particular lifetime (evergreen). Units of the Fund are made available to the public in accordance with the Fund Rules and applicable laws. The Fund is listed on the Fund List of the Nasdaq Tallinn Stock Exchange. The Fund’s Swedish depository receipts (the SDRs) are listed on the Nasdaq Stockholm Stock Exchange.

The Fund’s registered office is at Roseni 7, 10111 Tallinn, Estonia.

The objective of the Fund is to combine attractive income yields with medium to long-term value appreciation by investing primarily in commercial real estate, portfolios of real estate, and/or real estate companies and making exits from these investments. The objective of the Fund is to provide its investors with consistent and above average risk-adjusted returns by acquiring and managing a portfolio of high-quality cash flow-generating commercial properties, thereby creating a stable stream of high yielding current income combined with capital gains at exit. Although the objective of the Fund is to generate positive returns to investors, the profitability of the Fund is not guaranteed to investors.

At the reporting date, the Fund held the following 100% interests in subsidiaries:

Name	30.09.2025	31.12.2024
BH Lincona OÜ	100%	100%
BOF SKY SIA	100%	100%
BH CC Plaza OÜ	100%	100%
BH Europa UAB	100%	100%
Kontor SIA	100%	100%
Pirita Center OÜ	100%	100%
Vainodes Krasti SIA	100%	100%
BH S27 SIA	100%	100%
BH Novus UAB (previously BH Meraki UAB)	100%	100%
BH Galerija Centrs SIA	100%	100%
BH Northstar UAB	100%	100%

2. Basis of preparation

The condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting and should be read in conjunction with the Group’s latest consolidated annual financial statements as of and for the year ended 31 December 2024. These interim condensed consolidated financial statements do not include all of the information required in the complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are relevant to understanding the changes in the Group’s financial position and performance since the last annual financial statements.

Going concern assessment

The management of the Fund has performed an assessment of the Fund’s future consolidated financial position, consolidated financial performance and cash flows and has concluded that the continued application of the going concern assumption is appropriate.

New standards, amendments and interpretations

A number of new standards and amendments to standards are not effective for annual periods beginning on 1 January 2025 but their earlier application is permitted. However, the Group has not early adopted any of the new or amended standards in preparing these interim condensed consolidated financial statements.

3. Summary of significant account policies

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the reported item in the future. The assumptions and judgements applied in these interim condensed consolidated financial statements were the same as those applied in the Group's consolidated financial statements for the year ended 31 December 2024.

Material accounting policies

The accounting policies applied in these interim financial statements are the same as those applied in the Group's consolidated financial statements for the year ended 31 December 2024.

Fair value measurements

The Group measures certain financial instruments such as derivatives, and non-financial assets such as investment property, at fair value at the end of each reporting period. Also, the fair values of financial instruments measured at amortised cost are disclosed in the financial statements.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The Group must be able to access the principal or the most advantageous market at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs significant to the fair value measurement as a whole:

Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

4. Operating segments

The Group's reportable segments are as follows:

Retail segment includes Europa Shopping Centre (Lithuania), SKY Shopping Centre (Latvia), Pirita Shopping Centre (Estonia), Postimaja Shopping centre (Estonia), and Galerija Centrs Shopping Centre (Latvia) investment properties.

Office segment includes Lincona Office Complex (Estonia), Upmalas Biroji (Latvia), Vainodes I (Latvia), S27 (Latvia), Meraki (disposed property as of 13 March 2025; Lithuania) and North Star (Lithuania) investment properties.

Leisure segment includes Apollo Plaza (Estonia) investment property.

For management purposes, the Group is organized into three business segments based on the type of investment property. Management monitors the operating results of business segments separately for the purpose of making decisions about resources to be allocated and assessing performance. Segment performance is evaluated based on net rental income and net profit/loss.

Information related to each reportable segment is set out on the next page. Segment net rental income is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

Operating segments – 30 September 2025

EUR '000	Retail	Office	Leisure	Total
01.07.2025-30.09.2025:				
External revenue ¹	3,004	1,654	408	5,066
Segment net rental income	1,208	1,174	249	2,631
Net loss from fair value adjustment	(1)	(3)	-	(4)
Interest expenses ²	(902)	(511)	(101)	(1,514)
Income tax income (expenses)	65	(16)	-	49
Segment net profit	351	596	145	1,092
01.01.2025-30.09.2025:				
External revenue ¹	8,994	5,026	1,123	15,143
Segment net rental income	4,557	3,504	648	8,709
Net loss from fair value adjustment	(3)	(10)	-	(13)
Interest expenses ²	(2,769)	(1,781)	(324)	(4,874)
Income tax income (expenses)	93	143	-	236
Segment net profit (loss)	1,782	549	319	2,650
As of 30.09.2025:				
Segment assets	138,110	84,101	13,452	235,663
Investment properties	134,222	80,902	13,196	228,320
Segment liabilities	68,794	44,102	7,953	120,849

1. External revenue includes rental income and service charge income. The segments do not have inter-segment revenue.
2. Interest expenses include only external bank loan interest expenses and interest expenses on lease liabilities.

Operating segments – 30 September 2024

EUR '000	Retail	Office	Leisure	Total
01.07.2024-30.09.2024:				
External revenue ¹	2,969	1,685	272	4,926
Segment net rental income	1,622	1,143	121	2,886
Net loss from fair value adjustment	(2)	(3)	-	(5)
Interest expenses ²	(975)	(758)	(89)	(1,822)
Income tax income (expenses)	46	(133)	-	(87)
Segment net profit (loss)	584	113	28	725
01.01.2024-30.09.2024:				
External revenue ¹	8,866	5,279	811	14,956
Segment net rental income	4,718	3,710	441	8,869
Net loss from fair value adjustment	(5,595)	(6,747)	(187)	(12,529)
Interest expenses ²	(2,547)	(1,984)	(243)	(4,774)
Income tax income (expenses)	195	122	-	317
Segment net profit (loss)	(3,485)	(5,544)	(4)	(9,033)
As of 30.09.2024:				
Segment assets	137,042	100,128	13,431	250,601
Investment properties	132,115	96,397	13,067	241,579
Segment liabilities	69,323	56,180	6,496	131,999

1. External revenue includes rental income and service charge income. The segments do not have inter-segment revenue.
2. Interest expenses include only external bank loan interest expenses and interest expenses on lease liabilities.

Reconciliation of information on reportable segments to IFRS measures

Operating segments – 30 September 2025

EUR '000	Total reportable segments	Adjustments	Consolidated
01.07.2025-30.09.2025:			
Net profit (loss)	1,092	(1,160) ¹	(68)
01.01.2025-30.09.2025:			
Net profit (loss)	2,650	(3,609) ²	(959)
As of 30.09.2025:			
Segment assets	235,663	2,031 ³	237,694
Segment liabilities	120,849	19,616 ⁴	140,465

1. Segment net loss for Q3 2025 does not include Fund management fee (EUR 306 thousand), bond interest expenses (EUR 481 thousand), bond arrangement fee amortisation (EUR 39 thousand), Fund custodian fees (EUR 11 thousand), losses on disposal (EUR 253 thousand) and other Fund-level administrative expenses (EUR 70 thousand).
2. Segment net loss for Q1-Q3 2025 does not include Fund management fee (EUR 912 thousand), bond interest expenses (EUR 1,562 thousand), bond arrangement fee amortisation (EUR 315 thousand), Fund custodian fees (EUR 33 thousand), losses on disposal (EUR 497 thousand) and other Fund-level administrative expenses (EUR 290 thousand).
3. Segment assets do not include cash, which is held at the Fund level (EUR 1,888 thousand) and prepayment and other receivables at the Fund level (EUR 143 thousand).
4. Segment liabilities do not include liabilities related to a bond issue at the Fund level (EUR 18,605 thousand), accrued bond coupon expenses (EUR 275 thousand), management fee payable (EUR 634 thousand), and other short-term payables at the Fund level (EUR 102 thousand).

Operating segments – 30 September 2024

EUR '000	Total reportable segments	Adjustments	Consolidated
01.07.2024-30.09.2024:			
Net profit (loss)	725	(1,275) ¹	(550)
01.01.2024-30.09.2024:			
Net profit (loss)	(9,033)	(4,366) ²	(13,399)
As of 30.09.2024:			
Segment assets	250,601	6,225 ³	256,826
Segment liabilities	131,999	22,905 ⁴	154,904

1. Segment net profit for Q3 2024 does not include Fund management fee (EUR 311 thousand), bond interest expenses (EUR 686 thousand), bond arrangement fee amortisation (EUR 9 thousand), Fund custodian fees (EUR 11 thousand), losses on disposal (EUR 123 thousand) and other Fund-level administrative expenses (EUR 135 thousand).
2. Segment net loss for Q1-Q3 2024 does not include Fund management fee (EUR 951 thousand), bond interest expenses (EUR 2,514 thousand), bond arrangement fee amortisation (EUR 181 thousand), Fund custodian fees (EUR 37 thousand), losses on disposal (EUR 303 thousand) and other Fund-level administrative expenses (EUR 380 thousand).
3. Segment assets do not include cash, which is held at the Fund level (EUR 5,925 thousand) and prepayment and other receivables at the Fund level (EUR 300 thousand).
4. Segment liabilities do not include liabilities related to a bond issue at the Fund level (EUR 21,547 thousand), accrued bond coupon expenses (EUR 368 thousand), management fee payable (EUR 681 thousand), and other short-term payables at the Fund level (EUR 309 thousand).

Geographic information

EUR '000	External revenue				Investment property value	
	01.07.2025 - 30.09.2025	01.07.2024 - 30.09.2024	01.01.2025 - 30.09.2025	01.01.2024 - 30.09.2024	30.09.2025	31.12.2024
Lithuania	1,232	1,391	3,961	4,203	56,209	71,874
Latvia	2,331	2,242	6,887	6,904	114,136	111,404
Estonia	1,503	1,293	4,295	3,849	57,975	57,880
Total	5,066	4,926	15,143	14,956	228,320	241,158

Major tenant

No single lease accounted for more than 10% of the Group's total revenue.

5. Cost of rental activities

EUR '000	01.07.2025 - 30.09.2025	01.07.2024 - 30.09.2024	01.01.2025 - 30.09.2025	01.01.2024 - 30.09.2024
Repair and maintenance	801	822	2,397	2,500
Utilities	267	291	914	953
Property management expenses	330	303	997	941
Real estate taxes	235	255	721	735
Sales and marketing expenses	143	167	406	506
Property insurance	39	41	114	115
Allowance (reversal of allowance) for bad debts	499	31	520	9
Other	121	130	365	328
Total cost of rental activities	2,435	2,040	6,434	6,087

Part of the total cost of rental activities (mainly utilities and repair and maintenance expenses) was recharged to tenants: EUR 3,782 thousand during the nine-month period ended 30 September 2025 (EUR 3,599 thousand during the nine-month period ended 30 September 2024).

6. Administrative expenses

EUR '000	01.07.2025 - 30.09.2025	01.07.2024 - 30.09.2024	01.01.2025 - 30.09.2025	01.01.2024 - 30.09.2024
Management fee	306	311	912	951
Legal fees	22	54	82	115
Consultancy fees	3	49	22	102
Audit fees	27	53	111	132
Fund marketing expenses	8	20	33	53
Custodian fees	11	11	33	37
Accounting fees	10	-	27	-
Supervisory board fees	17	14	45	41
Listing related expenses	13	-	84	-
VAT	4	-	16	-
Other administrative expenses	29	103	154	298
Total administrative expenses	450	615	1,519	1,729

The Management Company is entitled to receive an annual management fee which is calculated quarterly, based on the 3-month average market capitalisation of the Fund. In case the market capitalisation is lower than 90% of the NAV of the Fund, the amount equal to 90% of the NAV of the Fund shall be used for the management fee calculation instead of the market capitalisation.

The Management Company is entitled to calculate the performance fee based on the annual adjusted funds from operations (AFFO) of the Fund. If AFFO divided by paid in capital during the year exceeds 8% per annum, the Management Company is entitled to a performance fee in the amount of 20% of the amount exceeding 8%. The performance fee based on this formula has been calculated starting from 1 January 2017. The performance fee first became payable in the fifth year of the Fund (i.e. 2020). Based on the past performance of the Fund there is no prospect of this performance fee becoming payable in the medium term. Transactions with related parties are disclosed in note 17.

7. Financial expenses

EUR '000	01.07.2025 - 30.09.2025	01.07.2024 - 30.09.2024	01.01.2025 - 30.09.2025	01.01.2024 - 30.09.2024
Interest on external loans and borrowings	1,994	2,404	6,430	7,281
Loan arrangement fee amortisation	57	162	242	238
Interest on lease liabilities	2	-	7	7
Other financial expenses	5	31	447	225
Total financial expenses	2,058	2,597	7,126	7,751

8. Earnings per unit

The calculation of earnings per unit is based on the following profit attributable to unitholders and weighted-average number of units outstanding.

Profit (loss) attributable to the unitholders of the Fund:

EUR '000	01.07.2025 - 30.09.2025	01.07.2024 - 30.09.2024	01.01.2025 - 30.09.2025	01.01.2024 - 30.09.2024
Profit (loss) for the period, attributed to the unitholders of the Fund	(68)	(550)	(959)	(13,399)
Profit (loss) for the period, attributed to the unitholders of the Fund	(68)	(550)	(959)	(13,399)

Weighted-average number of units:

EUR '000	01.07.2025 - 30.09.2025	01.07.2024 - 30.09.2024	01.01.2025 - 30.09.2025	01.01.2024 - 30.09.2024
Issued units at the end of period	143,562,514	143,562,514	143,562,514	143,562,514
Weighted-average number of units	143,562,514	122,236,199	143,562,514	120,508,680

Basic and diluted earnings per unit:

EUR '000	01.07.2025 - 30.09.2025	01.07.2024 - 30.09.2024	01.01.2025 - 30.09.2025	01.01.2024 - 30.09.2024
Basic earnings per unit	(0.00)	(0.00)	(0.01)	(0.11)
Diluted earnings per unit*	(0.00)	(0.00)	(0.01)	(0.09)

*In September 2024, the Fund diluted its earnings per unit by issuing 23,927,085 new units to raise capital through a private placement.

9. Income tax

Real estate revenues, or capital gains derived from real estate are subject to taxes by assessment in the countries where the real estate is situated. The Fund's subsidiaries in Lithuania depreciate their historical property cost in accordance with applicable tax regulations. Depreciation is deducted from taxable profits in determining current taxable income.

The Group's consolidated effective tax rate in respect of continuing operations for the nine-month period ended 30 September 2025 was minus 19.7% (Nine-month period ended 30 September 2024: minus 2.4%).

As of 30 September 2025, the Group had tax losses of EUR 4,522 thousand (31 December 2024: EUR 3,935 thousand) that are available indefinitely for offset against future taxable profits of the Lithuanian companies in which the losses arose. The deferred tax liability arising from the revaluation of derivative instruments to fair value amounted to EUR 10 thousand as of 30 September 2025 (31 December 2024: liability of EUR 18 thousand). As of 30 September 2025, deferred tax liabilities on the difference between investment property fair and tax value and other deferred tax liabilities amounted to EUR 6,199 thousand (31 December 2024: EUR 5,851 thousand. Deferred tax is only applicable to the Fund's subsidiaries in Lithuania.

The major components of income tax for the periods ended 30 September 2025 and 2024 were as follows:

EUR '000	01.07.2025 - 30.09.2025	01.07.2024 - 30.09.2024	01.01.2025 - 30.09.2025	01.01.2024 - 30.09.2024
Consolidated statement of profit or loss				
Current income tax for the period	-	-	(3)	-
Deferred tax for the period	49	(87)	239	317
Income tax income reported in profit or loss	49	(87)	236	317

Consolidated statement of other comprehensive income

Deferred income tax related to items charged or credited to equity:

Revaluation of derivative instruments to fair value	(1)	17	(8)	51
Income tax reported in other comprehensive income	(1)	17	(8)	51

10. Investment property

EUR '000	30.09.2025	31.12.2024
Balance at 1 January	241,158	250,385
Capital expenditure	3,555	6,354
Disposals	(16,380)	-
Net revaluation loss on investment property	-	(15,564)
Net revaluation loss on right-of-use assets	(13)	(17)
Closing balance	228,320	241,158
Closing balance excluding right-of-use assets	228,096	240,920

The fair value of the investment properties is approved by the Management Board of the Management Company, based on independent appraisals. Independent appraisals are performed in accordance with the Practice Statements and Relevant Guidance Notes of the RICS Valuation – Professional Standards approved by both the International Valuation Standards Committee (IVSC) and by the European Group of Valuers' Associations (TEGoVA). In accordance with that basis, the market value is an estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The appraisers derive the fair value by applying the methodology and valuation guidelines as set out by the Royal Institution of Chartered Surveyors in the United Kingdom and in accordance with IAS 40.

Fair value does not necessarily represent the liquidation value of the properties which would be dependent upon the price negotiated at the time net of selling costs. Fair value is largely based on estimates which are inherently subjective.

Valuation techniques used to derive Level 3 fair values

The values of the properties are based on the valuation of investment properties performed by Newsec as of 31 December 2024, increased by right-of-use assets and subsequent capital expenditure.

The table on the next pages presents the following for each investment property segment:

- A description of the valuation techniques applied;
- The inputs used in the fair value measurement;
- Quantitative information about the significant unobservable inputs used in the fair value measurement.

As of 31 December 2024:

Segment		Valuation technique	Key unobservable inputs	Range
Retail	Vilnius Lithuania Tallinn, Estonia Riga, Latvia	DCF	Discount rate	8.45% - 9.64%
Net leasable area (NLA)	54,432 sq. m.		Rental growth p.a.	1.4% - 5.14%
Year of construction/renovation	1939-2016/2006-2010		Long-term vacancy rate	2.0% - 5.0%
			Exit yield	7.0% - 8.25%
			Average rent (EUR/sq. m)	11.85 – 17.98
Office	Vilnius Lithuania Tallinn, Estonia Riga, Latvia	DCF	Discount rate	8.45% - 9.7%
Net leasable area (NLA)	55,967 sq. m.		Rental growth p.a.	0.0% - 4.65%
Year of construction/renovation	2002-2021/2008-2014		Long-term vacancy rate	2.0% - 30.0%
			Exit yield	7.0% - 8.5%
			Average rent (EUR/sq. m)	10.4 – 13.19
Leisure	Tallinn, Estonia	DCF	Discount rate	9%
Net leasable area (NLA)	7,869 sq. m.		Rental growth p.a.	2.0% - 4.3%
Year of construction/renovation	1999		Long-term vacancy rate	2.0% - 5.0%
			Exit yield	7%
			Average rent (EUR/sq. m)	11.29

The table in the next column sets out information about significant unobservable inputs used at 31 December 2024 in measuring investment properties categorised to Level 3 in the fair value hierarchy.

Type of asset class	Valuation technique	Significant unobservable input	Range of estimates	Fair value measurement sensitivity to unobservable inputs
Investment property	Discounted cash flow	Exit yield	2024: 7.0% - 8.5%	An increase in exit yield in isolation would result in a lower value of Investment property.
		Discount rate	2024: 8.45% - 9.7%	An increase in discount rate in isolation would result in a lower value of Investment property.
		Rental growth p.a.	2024: 0.0% - 5.14%	An increase in rental growth in isolation would result in a higher value of Investment property.
		Long-term vacancy rate	2024: 2.0% - 30.0%	An increase in long-term vacancy rate in isolation would result in a lower value of Investment property.

The book values of investment properties as of 30 September 2025 were as follows:

EUR '000	Total fair value Level 3
Latvia - Galerija Centrs (retail)	61,119
Lithuania – Europa (retail)	36,521
Estonia – Postimaja (retail)	21,876
Lithuania – North Star (office)	19,688
Latvia – Upmalas Biroji (office)	19,274
Latvia – Vainodes I (office)	16,000
Estonia – Apollo Plaza (leisure)	13,196
Estonia – Lincona (office)	13,110
Latvia – S27 (office)	12,830
Estonia – Piritä (retail)	9,793
Latvia – SKY (retail)	4,913
Total	228,320

11. Trade and other receivables

EUR '000	30.09.2025	31.12.2024
Trade receivables, gross	2,345	2,346
Less impairment allowance for doubtful receivables	(1,013)	(649)
Accrued income	456	537
Other accounts receivable	217	566
Total	2,005	2,800

Trade receivables are non-interest-bearing and are generally on 30-day terms.

As of 30 September 2025, trade receivables at a nominal value of EUR 1,013 thousand were fully impaired (EUR 649 thousand as of 31 December 2024).

Movements in the impairment allowance for doubtful receivables were as follows:

EUR '000	30.09.2025	31.12.2024
Balance as of 1 January	(649)	(625)
Charge for the period	(520)	(202)
Amounts written off	156	178
Balance at end of period	(1,013)	(649)

The ageing analysis of trade receivables not impaired is as follows (at the end of the period):

EUR '000	Total	Neither past due nor impaired	Past due but not impaired				
			<30 days	30-60 days	60-90 days	90-120 days	>120 days
30.09.2025	1,332	642	385	163	64	353	(275)
31.12.2024	1,697	712	385	221	151	85	143

12. Cash and cash equivalents

EUR '000	30.09.2025	31.12.2024
Cash at banks and on hand	6,020	10,053
Total cash	6,020	10,053

As of 30 September 2025, the Group had to keep at least EUR 1,000 thousand (31 December 2024: EUR 1,000 thousand) of cash in its bank accounts due to certain restrictions in bank loan agreements.

13. Equity**13a. Paid in capital**

The units are currently listed on the Fund List of the Nasdaq Tallinn Stock Exchange. The Fund's Swedish depository receipts (the SDRs) were listed on the Nasdaq Stockholm Stock Exchange until 8 October 2025. As of 30 September 2025, the total number of the Fund's units was 143,562,429 (31 December 2024: 143,562,429). Units issued are presented in the table below:

EUR '000	Number of units	Amount
As of 1 January 2025, and 30 September 2025	143,562,514	151,495

A unit represents the investor's share in the assets of the Fund. The Fund has one class of units. The investors have the following rights deriving from their ownership of units:

- to own a share of the Fund's assets corresponding to the number of units owned by the investor;
- to receive, when payments are made a share of the net income of the Fund in proportion to the number of units owned by the investor (pursuant to the Fund Rules);
- to call a general meeting in the cases prescribed in the Fund Rules and the law;
- to participate and vote in a general meeting pursuant to the number of votes arising from units belonging to the investor and the number of votes arising from units which have been issued and not redeemed as of ten days before the general meeting is held.

Subsidiaries did not hold any units of the Fund as of 30 September 2025 and 31 December 2024.

The Fund did not hold its own units as of 30 September 2025 and 31 December 2024.

13b. Cash flow hedge reserve

This reserve represents the fair value of the effective part of the derivative financial instruments (interest rate swaps), used by the Fund to hedge the cash flows from interest rate risk in the periods ended on 30 September 2025 and 31 December 2024. Please refer to note 18 for more information.

EUR '000	30.09.2025	31.12.2024
Balance at the beginning of the year	(420)	531
Movement in fair value of existing hedges	101	(1,003)
Movement in deferred income tax (note 9)	(8)	52
Net variation during the period	93	(951)
Balance at the end of the period	(327)	(420)

14. Interest-bearing loans and borrowings

EUR '000	Maturity	Effective interest rate	30.09.2025	31.12.2024
Non-current borrowings				
Unsecured bonds	May 2028	3M EURIBOR + 8.00%	18,605	21,490
Bank 1	Jan 2028	3M EURIBOR + 2.25%	2,552	2,609
Bank 1 ¹	Feb 2026	6M EURIBOR + 1.90%	-	4,367
Bank 1	Dec 2027	6M EURIBOR + 2.25%	8,537	8,696
Bank 2 ²	Aug 2027	6M EURIBOR + 3.80%	28,310	-
Bank 3	Jan 2029	6M EURIBOR + 2.80%	15,555	15,610
Bank 3	Feb 2029	6M EURIBOR + 3.00%	8,912	8,951
Bank 4	Nov 2029	6M EURIBOR + 3.00%	20,830	20,948
Bank 5	Aug 2028	6M EURIBOR + 2.50%	9,793	9,928
Bank 6	Jun 2029	6M EURIBOR + 4.10%	-	9,810
Lease liabilities			229	238
Less current portion of bank loans and bonds			(3,018)	(4,138)
Less current portion of lease liabilities			(9)	(18)
Total non-current debt			110,296	98,491

1. The loan was reclassified as short-term since the maturity of the loan is in February 2026.
2. The loan was reclassified as long-term since the maturity of the loan was extended to August 2027.

EUR '000	Maturity	Effective interest rate	30.09.2025	31.12.2024
Current borrowings				
Unsecured bonds	Nov 2025	3M EURIBOR + 8.00%	-	3,200
Bank 1 ¹	Feb 2026	6M EURIBOR + 1.90%	4,285	-
Bank 2 ²	Aug 2027	6M EURIBOR + 3.80%	-	29,000
Bank 1	Mar 2026	3M EURIBOR + 1.90%	7,361	7,665
Bank 1	Mar 2026	3M EURIBOR + 1.60%	9,735	9,915
Current portion of non-current bank loans and bonds			3,018	938
Current portion of lease liabilities			9	18
Total current debt			24,408	50,736
Total			134,704	149,227

1. The loan was reclassified as short-term since the maturity of the loan is in February 2026.
2. The loan was reclassified as long-term since the maturity of the loan was extended to August 2027.

Loan and bond securities

Borrowings received were secured with the following pledges and securities as of 30 September 2025:

	Mortgages of the property*	Second rank mortgages for derivatives	Cross-mortgage	Commercial pledge of the entire assets
Bank 1	Lincona, SKY, S27, Vainodes I, and Pirita		Pirita and Lincona for Pirita and Lincona bank loans, Vainodes I, SKY and S27 for Vainodes I, SKY and S27 bank loan	Vainodes I, S27
Bank 2	Galerija Centrs	Galerija Centrs		Galerija Centrs
Bank 3	Europa and North Star			
Bank 4	Apollo Plaza and Postimaja			
Bank 5	Upmalas Biroji			Upmalas Biroji

*All properties are pledged as collateral for the bank loans. Please refer to note 10 for the carrying amounts of assets pledged at period end.

	Guarantee	Pledges of receivables	Pledge of land lease rights of the land plots	Pledges of bank accounts	Share pledge
Bank 1	Vainodes I and SKY for S27 bank loan; S27 and SKY for Vainodes I bank loan; Vainodes I and S27 for SKY bank loan; Baltic Horizon Fund for S27 up to 1,500,000			SKY, S27 and Vainodes I	Vainodes I, S27, SKY
Bank 2	Baltic Horizon Fund for Galerija Centrs up to EUR 5,000,000				Galerija Centrs
Bank 3				Europa, North Star	
Bank 5	Baltic Horizon Fund for Upmalas Biroji				Upmalas Biroji

15. Trade and other payables

EUR '000	30.09.2025	31.12.2024
Trade payables	736	1,963
Management fee payable	634	890
Accrued financial expenses	510	633
Accrued expenses	179	556
Tax payables	109	231
Other payables	138	200
Total trade and other payables	2,306	4,473

Terms and conditions of trade and other payables:

- Trade payables are non-interest-bearing and are normally settled on 30-day terms.
- Other payables are non-interest-bearing and have an average term of 3 months.

16. Commitments and contingencies**16a. Litigation**

As of 30 September 2025, there was no ongoing litigation, which could materially affect the consolidated financial position of the Group.

16b. Contingent assets

The Group did not have any contingent assets as of 30 September 2025.

16c. Contingent liabilities

According to BH Duetto UAB Share Sale and Purchase agreement, the Group has issued the NOI and defects guarantee. The NOI guarantee is valid until 31 December 2025 and covers the shortfall between the rent calculated on the basis of the conditions stated in the sale and purchase agreement and the actual NOI. The maximum potential liability under the defects guarantee is capped at EUR 600 thousand. Of this amount, EUR 300 thousand is secured through a withholding from the sales price. Any claims arising under the defects guarantee will be satisfied from the withholding amount prior to the use of any other funds. As of the reporting date, the withholding amount had been reduced by EUR 158 thousand. Notably, no payments have been made under the defects guarantee scheme to date. As of 30 September 2025, approximately 740 thousand EUR have been paid under the NOI guarantee scheme.

The Group did not have any other contingent liabilities as of 30 September 2025.

17. Related parties

During the reporting period, the Group entered into transactions with related parties. Those transactions and related balances are presented below. Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. All transactions between related parties are priced on an arm's length basis.

Baltic Horizon Capital AS

As set out in Baltic Horizon Fund Rules, Baltic Horizon Capital AS (previously Northern Horizon Capital AS; the Management Company) carries out asset manager functions on behalf of the Fund and the Fund pays management fees for it (note 6).

The Group's transactions with related parties during Q1-Q3 2025 and 2024 were the following:

EUR '000	01.01.2025 - 30.09.2025	01.01.2024 - 30.09.2024
Baltic Horizon Capital AS		
Management fees	912	951

The Group's balances with related parties as of 30 September 2025 and 31 December 2024 were the following:

EUR '000	30.09.2025	31.12.2024
Baltic Horizon Capital AS		
Management fees payable	634	890

The Management Company is entitled to receive an annual management fee which is calculated quarterly, based on the 3-month average market capitalisation of the Fund. In case the market capitalisation is lower than 90% of the NAV of the Fund, the amount equal to 90% of the NAV of the Fund shall be used for the management fee calculation instead of the market capitalisation.

The fee is based on the following rates and in the following tranches:

- 1.50% of the market capitalisation below EUR 50 million;
- 1.25% of the part of the market capitalisation that is equal to or exceeds EUR 50 million and is below EUR 100 million;
- 1.00% of the part of the market capitalisation that is equal to or exceeds EUR 100 million and is below EUR 200 million;
- 0.75% of the part of the market capitalisation that is equal to or exceeds EUR 200 and is below EUR 300 million;
- 0.50% of the part of the market capitalisation that is equal to or exceeds EUR 300 million.

The Management Company is entitled to calculate the performance fee based on the annual adjusted funds from operations (AFFO) of the Fund. If AFFO divided by paid in capital during the year exceeds 8% per annum, the Management Company is entitled to a performance fee in the amount of 20% of the amount exceeding 8%. The performance fee based on this formula has been calculated starting from 1 January 2017. The performance fee first became payable in the fifth year of the Fund (i.e. 2020).

Baltic Horizon Capital AS did not own any units of the Fund as of 30 September 2025.

Supervisory Board of the Fund

As set out in Baltic Horizon Fund Rules, Supervisory Board members are entitled to remuneration for their service in the amount determined by the General Meeting. The remuneration of the Supervisory Board of the Fund amounted to EUR 45 thousand during Q1-Q3 2025 (EUR 36 thousand during Q1-Q3 2024). Please refer to note 6 for more information regarding the total expenses related to the Supervisory Board of the Fund.

Entities having control or significant influence over the Fund

The holders of units owning more than 5% of the units in total as of 30 September 2025 and 31 December 2024 are presented in the tables below:

As of 30 September 2025	Number of units	Percentage
Gene Investments OÜ	42,904,638	29.9%
Swedbank AB, Lithuania clients	17,813,222	12.4%
Skandinaviska Enskilda Banken AB clients	14,669,664	10.2%
Raiffeisen Bank International AG clients	8,396,247	5.8%

As of 31 December 2024	Number of units	Percentage
Skandinaviska Enskilda Banken AB clients	19,918,261	13.9%
Gene Investments OÜ	19,059,220	13.3%
Swedbank AB, Lithuania clients	16,495,001	11.5%
Skandinaviska Enskilda Banken AB	15,686,825	10.9%
Raiffeisen Bank International AG clients	9,622,389	6.7%
Swedbank AB / Nordic Issuing AB clients	7,954,736	5.5%

18. Financial instruments**Fair values**

Set out below is a comparison by category of the carrying amounts and fair values of all the Group's financial instruments carried in the consolidated financial statements:

EUR '000	Carrying amount		Fair value	
	30.09.2025	31.12.2024	30.09.2025	31.12.2024
Financial assets				
Trade and other receivables	2,005	2,800	2,005	2,800
Cash and cash equivalents	6,020	10,053	6,020	10,053
Derivative financial instruments	-	1	-	1
Financial liabilities				
Interest-bearing loans and borrowings				
Bank loans	(115,870)	(127,499)	(115,870)	(127,499)
Bonds	(18,605)	(21,490)	(19,000)	(22,000)
Trade and other payables	(2,306)	(4,473)	(2,306)	(4,473)
Derivative financial instruments	(273)	(317)	(273)	(317)

Fair value hierarchy

Quantitative disclosures of the Group's financial instruments in the fair value measurement hierarchy as of 30 September 2025 and 31 December 2024:

As of 30 September 2025

EUR '000	Level 1	Level 2	Level 3	Total fair value
Financial assets				
Trade and other receivables	-	-	2,005	2,005
Cash and cash equivalents	-	6,020	-	6,020
Financial liabilities				
Interest-bearing loans and borrowings				
Bank loans	-	-	(115,870)	(115,870)
Bonds	-	-	(19,000)	(19,000)
Trade and other payables	-	-	(2,306)	(2,306)
Derivative financial instruments	-	(273)	-	(273)

As of 31 December 2024

EUR '000	Level 1	Level 2	Level 3	Total fair value
Financial assets				
Trade and other receivables	-	-	2,800	2,800
Cash and cash equivalents	-	10,053	-	10,053
Derivative financial instruments	-	1	-	1
Financial liabilities				
Interest-bearing loans and borrowings				
Bank loans	-	-	(127,499)	(127,499)
Bonds	-	-	(22,000)	(22,000)
Trade and other payables	-	-	(4,473)	(4,473)
Derivative financial instruments	-	(317)	-	(317)

Management assessed that the carrying amounts of cash and short-term deposits, rent and other receivables, trade payables and other current liabilities approximate their fair values largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions are used to estimate the fair values:

- Trade and other receivables are evaluated by the Group based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer, and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected losses on these receivables. As of 30 September 2025, the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.
- The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. The fair value of derivatives has been calculated by discounting the expected future cash flows at prevailing interest rates.
- The fair values of the Group's interest-bearing loans and borrowings are determined by discounting the expected future cash flows at prevailing interest rates. The estimated fair values of the Group's interest-bearing loans and borrowings were determined using effective agreements' interest rates which represent current market rate.
- Cash and cash equivalents are attributed to Level 2 in the fair value hierarchy.

19. Derivative financial instruments

The Group has entered into interest rate swaps (IRS) and interest rate cap (CAP) agreements with OP and SEB.

The purpose of derivative instruments is to hedge the interest rate risk arising from the interest rate fluctuations of the Group's non-current loans and some of the Group's current loans because the Group's policy is to have fixed interest expenses. According to the IRS agreements, the Group makes fixed interest payments to the bank and receives variable interest rate payments from the bank. An interest rate cap allows to limit the interest rate fluctuation to a certain level. IFRS 9 allows hedge accounting provided that the hedge is effective. In such cases, any gain or loss recorded on the fair value changes of the financial instrument is recognised in an equity reserve rather than the income statement. The ineffective part of the change in the fair value of the hedging instrument (if any) is recognised in the income statement. Specific documentation on each financial instrument is required to be maintained to ensure compliance with hedge accounting principles. Please refer to note 13b for more information.

EUR '000						Fair value	
Derivative type	Starting date	Maturity date	Notional amount	Variable rate (received)	Fixed rate (paid)	30.09.2025	31.12.2024
IRS	Dec 2024	Nov 2027	13,150	6M EURIBOR	2.45%	(87)	(103)
IRS	Dec 2024	Nov 2027	13,150	6M EURIBOR	2.39%	(72)	(82)
IRS	Dec 2024	Oct 2027	2,361	3M EURIBOR	2.33%	(14)	(15)
IRS	Dec 2024	Oct 2027	8,012	6M EURIBOR	2.5%	(68)	(78)
IRS	Dec 2024	Oct 2027	4,012	6M EURIBOR	2.5%	(32)	(39)
CAP	Aug 2024	Aug 2025	17,900	3M EURIBOR	3.0%	-	1
Derivative financial instruments, assets						-	1
Derivative financial instruments, liabilities						(273)	(317)
Net value of financial derivatives						(273)	(316)

Derivative financial instruments were accounted for at fair value as of 30 September 2025 and 31 December 2024. The maturity of the derivative financial instruments of the Group is as follows:

Classification according to maturity

EUR '000	Liabilities		Assets	
	30.09.2025	31.12.2024	30.09.2025	31.12.2024
Non-current	(273)	(317)	-	-
Current	-	-	-	1
Total	(273)	(317)	-	1

20. Subsequent events

There have been no significant events after the reporting date.

21. List of consolidated companies

Name	Registered office	Registration Number	Date of incorporation / acquisition	Activity	Interest in capital
BH Lincona OÜ	Hobujaama str. 5, Tallinn, Estonia	12127485	20 June 2011	Asset holding company	100%
BOF SKY SIA	Audēju iela 16 – 1, Rīga, Latvia	40103538571	27 March 2012	Asset holding company	100%
BH CC Plaza OÜ (merged with BH P80 OÜ on 5 July 2023)	Hobujaama str. 5, Tallinn, Estonia	12399823	11 December 2012	Asset holding company	100%
BH Europa UAB	Konstitucijos av. 7A-1, Vilnius, Lithuania	300059140	2 March 2015	Asset holding company	100%
Kontor SIA	Mūkusalas str. 101, Rīga, Latvia	40003771618	30 August 2016	Asset holding company	100%
Pirita Center OÜ	Merivälja str. 24, Tallinn, Estonia	12992834	16 December 2016	Asset holding company	100%
Vainodes Krasti SIA	Audeju str. 16, Rīga, Latvia	50103684291	12 December 2017	Asset holding company	100%
BH S27 SIA	Skanstes iela 27, Rīga, Latvia	40103810023	15 August 2018	Asset holding company	100%
BH Novus UAB (previously BH Meraki UAB)	Jogailos str. 4, Vilnius, Lithuania	304875582	18 July 2018	Dormant	100%
BH Galerija Centrs SIA	Audeju str. 16, Rīga, Latvia	40003311422	13 June 2019	Asset holding company	100%
BH Northstar UAB	Ulonų str. 2, Vilnius, Lithuania	305175896	29 May 2019	Asset holding company	100%

Management approval of consolidated financial statements

The interim condensed consolidated financial statements of Baltic Horizon Fund were approved for issue by the Management Board of the Management Company on 7 November 2025.

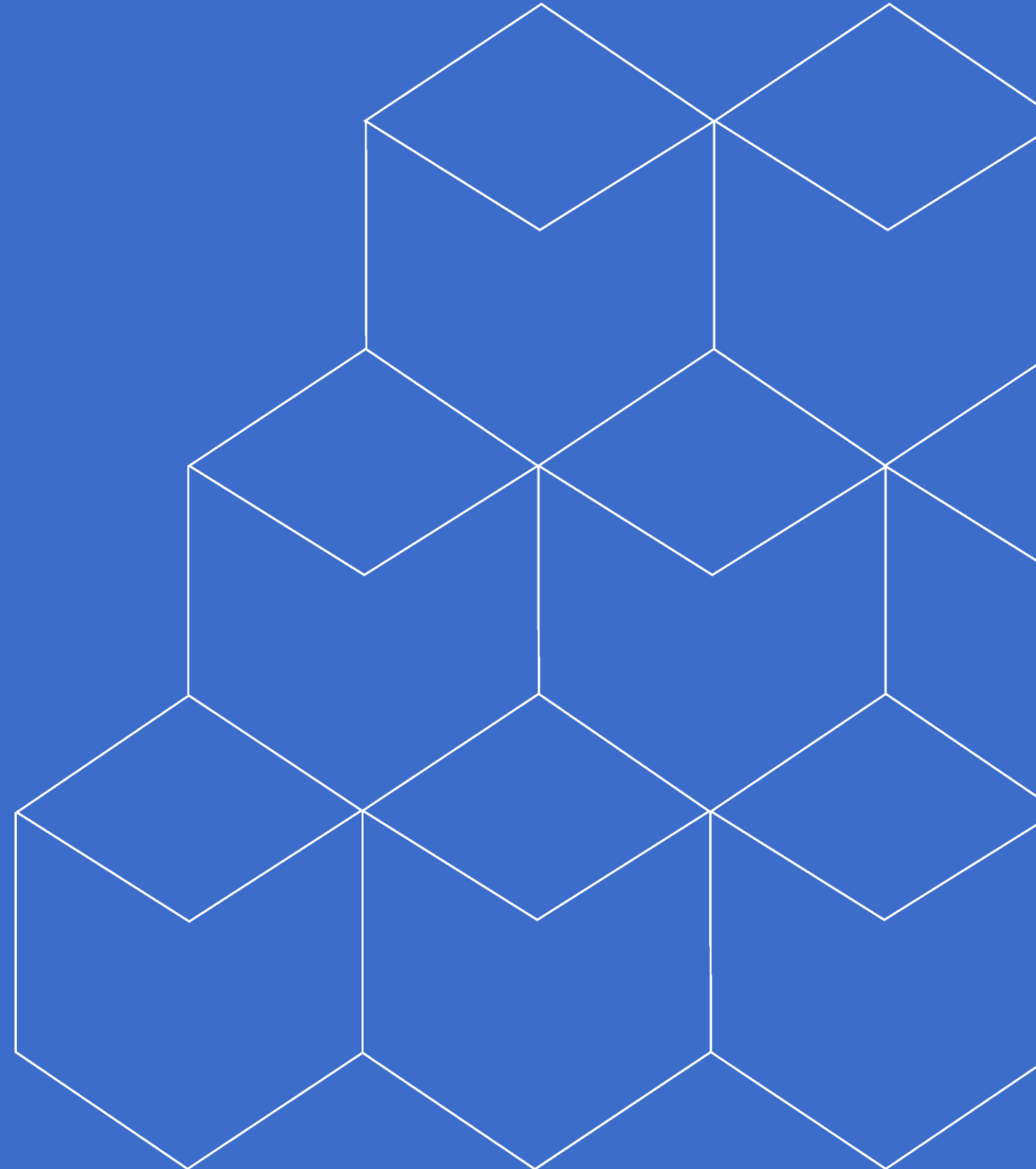
Tarmo Karotam

Chairman of the Management Board

Gerda Bliuvienė

Member of the Management Board

Appendices



Definitions and abbreviations

AIFM

Alternative Investment Fund Manager.

AFFO

Adjusted Funds From Operations means the net operating income of properties less fund administration expenses, less external interest expenses and less all capital expenditures including tenant fit-out expenses invested into existing properties by the Fund. New investments and acquisitions and follow-on investments into properties are not considered to be capital expenditures.

Cash ratio

The ratio is calculated as cash and cash equivalents divided by current liabilities.

Current ratio

The ratio is calculated as current assets divided by current liabilities.

Direct Property Yield

NOI divided by acquisition value and subsequent capital expenditure of the property.

Discounted cash flows (DCF)

Under the DCF method, a property's fair value is estimated using explicit assumptions about the benefits and liabilities of ownership over the asset's life including an exit or terminal value. This involves the projection of a series of cash flows and applying to this an appropriate, market-derived discount rate to establish the present value of the income stream. The duration of the cash flow and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal and related lease up periods, re-letting, redevelopment, or refurbishment.

Discount rate

Rate used to discount the net cash flows generated from rental activities during the period of analysis.

Dividend

Cash distributions paid out of the cash flows of the Fund in accordance with the Fund Rules.

Equity multiple

The ratio is calculated as total cash distribution received from investment divided by total equity invested.

Equity ratio

The ratio is calculated as total equity divided by total assets.

Exit yield

A rate used to estimate the resale value of a property at the end of the holding period. The expected net operating income per year is divided by the terminal cap rate to get the terminal value. The exit yield is calculated according to the growth rate of the stabilized net operating income or based on forecast.

Fund

Baltic Horizon Fund.

GAV

Gross Asset Value of the Fund.

Highest and best use

For all investment property that is measured at fair value, the current use of the property is considered the highest and best use.

IFRS

International Financial Reporting Standards.

IRR

Internal rate of return.

LTV

Loan-to-value ratio. The ratio is calculated as the amount of the external bank loan debt less lease liabilities (IFRS 16) divided by the carrying amount of investment property (including investment property under construction).

Management Company

Baltic Horizon Capital AS, register code 11025345.

NAV

Net asset value for the Fund.

NAV per unit

NAV divided by the amount of units in the Fund at the moment of determination.

Net Initial Yield

NOI divided by market value of the property.

Net LTV

Net Loan-to-value ratio. The ratio is calculated as the amount of the external bank loan debt less lease liabilities (IFRS 16) and cash and cash equivalents divided by the carrying amount of investment property (including investment property under construction).

NOI

Net operating income.

Occupancy rate

The ratio is calculated as rented area divided by net leasable area.

Quick ratio

The ratio is calculated as current assets less inventory and prepaid expenses divided by current liabilities.

Rental growth

The estimated average increase in rent based on both market estimations and contractual indexations.

Return on assets

The ratio is calculated as profit/loss for the period divided by average assets.

Return on equity

The ratio is calculated as profit/loss for the period divided by average equity.

Triple Net Lease

A triple net lease is a lease agreement that designates the lessee, i.e. the tenant, as being solely responsible for all the costs relating to the asset being leased, in addition to the rent fee applied under the lease.

TTM

Trailing 12 months.

EPRA indicators and definitions

EPRA Indicators	EPRA definition	EPRA purpose
EPRA Earnings	Earnings from operational activities	A key measure of a company's underlying results and an indication of the extent to which current dividend payments are supported by earnings.
EPRA NRV	Assumes that entities never sell assets and aims to represent the value required to rebuild the entity.	Makes adjustments to IFRS NAV to provide stakeholders with the most relevant information on the fair value of the assets and liabilities of a real estate investment company, under different scenarios.
EPRA NTA	Assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.	
EPRA NDV	Represents the shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax.	
EPRA LTV	Debt divided by market value of the property	Determines the percentage of debt compared to the appraised value of the properties.
EPRA Net initial yield (NIY)	Annualised rental income based on the cash rents passing at the reporting date, less non-recoverable property operating expenses, divided by the market value of the property, increased by (estimated) purchasers' costs.	A comparable measure for portfolio valuations. This measure should make it easier for investors to judge themselves, how the valuation of portfolio X compares with portfolio Y.
EPRA Topped-up NIY	This measure incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods (or other unexpired lease incentives such as discounted rent periods and step rents).	
EPRA Vacancy rate	Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio.	A 'pure' (%) measure of investment property space that is vacant, based on ERV.
EPRA Cost ratio	Administrative & operating costs (including & excluding the costs of direct vacancy) divided by gross rental income.	A key measure to enable meaningful measurement of the changes in a company's operating costs.

5-year overview of key figures

Key earnings figures	Unit	Q1-Q3 2025	Q1-Q3 2024	Q1-Q3 2023	Q1-Q3 2022	Q1-Q3 2021
Rental income	EUR '000	11,361	11,357	13,988	15,422	14,844
Net rental income	EUR '000	8,709	8,869	11,723	12,973	13,206
Net rental income margin	%	76.7	78.1	83.8	84.1	89.0
Valuation gains (losses) on investment properties	EUR '000	(13)	(12,529)	(14,626)	158	(14,264)
EBITDA	EUR '000	6,103	(6,238)	(8,817)	11,472	(3,446)
EBITDA margin	%	53.7	(54.9)	(63.0)	74.4	(23.2)
EBIT	EUR '000	5,866	(5,992)	(8,684)	11,272	(3,290)
EBIT margin	%	51.6	(52.8)	(62.1)	73.1	(22.2)
Net profit (loss)	EUR '000	(959)	(13,399)	(15,216)	6,137	(6,879)
Net profit (loss) margin	%	(8.4)	(118.0)	(108.8)	39.8	(46.3)
Earnings per unit	EUR	(0.01)	(0.09)	(0.13)	0.05	(0.06)
Generated net cash flow	EUR '000	(665)	(3,870)	1,654	6,005	6,742
Generated net cash flow per unit	EUR/unit	(0.00)	(0.03)	0.01	0.05	0.05
Key financial position figures	Unit	30.09.2025	31.12.2024	31.12.2023	31.12.2022	31.12.2021
Total assets	EUR '000	237,694	256,048	261,138	343,963	346,338
Return on assets (TTM)	%	(1.8)	(6.5)	(7.6)	1.1	0.4
Total equity	EUR '000	97,229	98,095	109,532	133,655	132,584
Equity ratio	%	40.9	38.3	41.9	38.9	38.3
Return on equity (TTM)	%	(4.4)	(16.2)	(18.9)	3.0	1.1
Interest-bearing loans and borrowings	EUR '000	134,704	149,227	143,742	195,111	199,147
Total liabilities	EUR '000	140,465	157,953	151,606	210,308	213,754
LTV	%	60.1	61.8	57.3	58.4	60.7
Average cost of debt	%	6.2	6.7	5.2	3.0	2.7
Weighted average duration of debt	years	2.5	2.8	2.3	1.8	1.5
Current ratio	times	0.3	0.2	0.1	0.1	0.4
Quick ratio	times	0.3	0.2	0.1	0.1	0.4
Cash ratio	times	0.2	0.2	0.1	0.1	0.3
IFRS NAV per unit	EUR	0.6773	0.6833	0.9156	1.1172	1.1082
Key property portfolio figures	Unit	Q1-Q3 2025	Q1-Q3 2024	Q1-Q3 2023	Q1-Q3 2022	Q1-Q3 2021
Fair value of portfolio	EUR '000	228,320	241,579	256,662	338,638	330,860
Properties	number	11	12	12	15	16
Net leasable area	sq. m	111,464	118,624	119,201	151,401	153,351
Occupancy rate	%	85.6	80.5	77.1	90.0	92.9



Baltic Horizon Fund is managed by Alternative Investment Fund
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Baltic Horizon Fund is committed to contribute to
a greener future for generations to come.



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