Baltic Horizon

Unaudited condensed consolidated interim financial statements for the 9-month period ended 30 September 2026

Interim report Q3 2026



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Management report



Management review

Q3 net result excluding revaluations EUR 1.1 million (Q3 2025: EUR 0.2 million*); EUR 5.1 million revaluation gain on three Estonian properties ahead of refinancing

Net profit for the nine months to 30 September 2026 was EUR 6,903 thousand, compared with a loss of EUR 959 thousand a year earlier. Excluding revaluations, nine-month net profit was EUR 2,151 thousand (2025: loss of EUR 946 thousand). Quarterly net rental income rose by about a third to EUR 3,478 thousand (Q3 2025: EUR 2,631 thousand). The revaluation of the Postimaja and Apollo Plaza complex and Pirita SC added EUR 5,075 thousand. Nine-month financial expenses fell to EUR 5,951 thousand from EUR 7,126 thousand, following the March equity raise and the EUR 7.5 million bond prepayment.

On a like-for-like basis, excluding Meraki (sold in March 2025), nine-month net operating income rose 12% to EUR 9,564 thousand from EUR 8,512 thousand. Q3 2026 was the first quarter to show the full effect of the new property management set-up, and management expects the improvement to continue. Repair and maintenance, property management and marketing costs were all below last year. Lower tenant arrears allowed EUR 68 thousand of the bad-debt provision to be released, after a EUR 335 thousand charge in the first half. Trade receivables fell to EUR 1,198 thousand from EUR 1,760 thousand at the start of the year.

Fund overheads excluding the management fee were EUR 96 thousand in the quarter. This was the first quarter within the EUR 100 thousand run rate that management targeted in the spring. Nine-month administrative expenses were EUR 1,436 thousand (2025: EUR 1,519 thousand).

Equity rose to EUR 97.9 million, or EUR 0.4323 per unit (30 June 2026: EUR 0.4039), giving an equity ratio of 43.4% and LTV of 57.0%. Cash was EUR 8.3 million, of which EUR 4.9 million was unrestricted. Net cash flow after interest and capital expenditure was EUR 778 thousand, against an outflow of EUR 665 thousand a year earlier. The units closed the quarter at EUR 0.197, a 54% discount to NAV.

EUR 11.5 million of bonds remain outstanding. Management still aims to redeem them before their May 2028 maturity. Early redemption fees expire by May 2027, so management will time the required liquidity for then. In October the Fund launched refinancing tenders for the loans secured on the Postimaja and Apollo Plaza complex, Pirita SC and Galerija Centrs. Any loan top-ups obtained on acceptable terms will go towards the bond redemption, together with proceeds from selected non-core disposals.

After the quarter end, the Fund signed a preliminary sale and purchase agreement for one of the two connected office blocks of North Star in Vilnius. The price of around EUR 5.3 million is above the block's latest valuation, with closing expected in H1 2027. The smaller block (approx. 3,057 sqm) is fully let to the Lithuanian Tax Inspectorate (VMI). In late October VMI informed about intentions to relocate by Q1 2028 at the latest. Rather than carry the re-letting risk on a single-tenant block, the Fund is selling that block only. The main block (approx. 7,630 sqm) is fully let and operates independently, and it stays in the portfolio. Net proceeds, after partial repayment of the bank loan, will be used to redeem bonds.

The valuations of the Postimaja and Apollo Plaza complex and Pirita SC were brought forward from year-end in preparation for their refinancing. The Postimaja and Apollo Plaza complex rose to EUR 39.0 million on unchanged yields. The uplift comes mainly from improved income projections, driven by the 10-year renewal and expansion of the MyFitness lease and full occupancy on long-term leases. The value now includes EUR 1.7 million for the planned extension linking the two buildings. Pirita SC rose slightly to EUR 10.7 million. It is about 93% occupied and anchored by Rimi and MyFitness. The valuer tightened its exit yield from 8.5% to 8.0%, in line with recent Baltic retail transaction evidence.

These early revaluations do not imply further uplifts across the rest of the portfolio. All properties are valued by independent appraisers at least once a year, and valuations can move up or down.



Galerija Centrs

*Excluding a one-off result from a past property disposal

Key figures **Q3 2026**

Key earnings figures	Unit	Q1-Q3 2026	Q1-Q3 2025	Q1-Q3 2024
Rental income	EUR '000	11,382	11,361	11,357
Net rental income	EUR '000	9,564	8,709	8,869
Valuation gains (losses) on investment properties	EUR '000	4,752	(13)	(12,529)
EBIT	EUR '000	12,904	5,866	(5,992)
Net profit (loss)	EUR '000	6,903	(959)	(13,399)
Earnings per unit	EUR	0.03	(0.01)	(0.09)
Generated net cash flow[1]	EUR '000	778	(665)	(3,870)
Generated net cash flow per unit[2]	EUR/unit	0.003	(0.005)	(0.027)
Net initial yield	%	5.9	5.0	4.8

Key financial position figures	Unit	30.09.2026	31.12.2025	31.12.2024
Total assets	EUR '000	225,476	216,620	256,048
Total equity	EUR '000	97,942	78,250	98,095
Equity ratio	%	43.4	36.1	38.3
Interest-bearing loans and borrowings	EUR '000	122,495	133,285	149,227
Total liabilities	EUR '000	127,534	138,370	157,953
LTV	%	57.0	64.0	61.8
Average cost of debt	%	5.7	6.1	6.7
Weighted average duration of debt	years	1.8	2.3	2.8
IFRS NAV per unit	EUR	0.4323	0.5451	0.6833

Key property portfolio figures	Unit	30.09.2026	31.12.2025	31.12.2024
Fair value of portfolio	EUR '000	215,329	208,940	241,158
Properties[3]	number	11	11	12
Total Net leasable area	sq. m	111,257	111,224	118,269
Occupancy rate[4]	%	82.5	86.2	82.1
WAULT[5]	years	3.8	3.7	3.3

Key unit figures	Unit	30.09.2026	31.12.2025	31.12.2024
Number of units outstanding	units	226,576,150	143,562,514	143,562,514
Highest unit price during the period	EUR	0.2016	0.2850	0.3730
Lowest unit price during the period	EUR	0.1832	0.1517	0.2410
Closing unit price	EUR	0.1970	0.1550	0.2521
Market capitalisation[6]	EUR	44,635,502	22,252,190	36,192,110

1. 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.
2. Generated net cash flow per numbers of units at the end of the period.
3. Properties includes 11 cash flow properties.
4. Occupancy based on tenants moved in.
5. The weighted average unexpired lease term until the first break option.
6. Based on the closing prices units on the Nasdaq Tallinn Stock Exchange.

Property report

Leasing and tenant update

The Fund owns 11 commercial properties in the three Baltic capitals, managed by its own in-house teams. Occupancy remained stable at around 82.5% at 30 September 2026. Several signed leases have tenants moving in at a later date; counting those committed deals, occupancy would stand at 84.6%. WAULT has held at a similar level throughout the year and was 3.8 years at the quarter end, supported by the latest extensions. Approximately 1,363 sqm of leases expiring in 2026 remains to be re-let; all other 2026 expiries have been prolonged or are already reflected in the occupancy figures.

Anchor tenants retention and expansion

Postimaja (Tallinn). The complex is fully let; MyFitness's new 10-year lease adds space on the upper floors from 2027.

L/NK (Tallinn). Lincona Konsult, a long-term tenant that renewed earlier this year, took over additional premises in the building. The Fund signed a new long-term retail lease with Velohunt, a sports and cycling retailer, for 606 sqm on the ground floor; the tenant takes possession by the end of Q1 2027.

North Star (Vilnius). Commesh took the whole fourth floor (625 sqm) and moved in during November, taking the building to effectively full occupancy for now; four smaller offices were also let. At the end of October, the State Tax Inspectorate (VMI), tenant of 3,057 sqm, confirmed in writing that it intends to vacate its premises by Q1 2028 at the latest.

Europa (Vilnius). Occupancy rose to 85.2% as of the date of this report, and nine-month NOI more than doubled to EUR 1,332 thousand on lower costs and better service-charge recovery. Sostinės Sporto Centras opened for the school year, the Dialogai food hall is fully let and new Salamander shop will open soon. Additionally, Sinsay has committed to open a new shop of 654 sqm at the beginning of 2027.

Galerija Centrs (Riga). GUNSnLASERS, the entertainment anchor on the fourth floor, signed a new lease on 1 October for its 1,968 sqm to the end of 2031. Occupancy slipped to 84.5% as several smaller units fell vacant.

Hipokrata SC (Riga). Abrand Cash & Carry opened in August in the space vacated by previous anchor tenant SKAI Baltija and in September decided to expand further by taking additional 295 sqm.

Upmalas Biroji (Riga). Civinity Group took over its 550 sqm headquarters premises at the end of October and three smaller offices were let during the quarter.

S27 (Riga). Occupancy rose from 64.5% to 67.0% as several smaller tenants incl. Sinerga, Unitoq and Creatonica joined E100; the small-office concept on floors 6 and 8 is providing interest for potential tenants.

Lease agreements are reported in occupancy figures only once tenants have taken over the premises.

Overview of investment properties as of 30 September 2026

Property	Sector	Acquisition year	Fair value[1] (EUR '000)	NLA (sq. m)	Net initial yield Q1-Q3 2026[2]	Occupancy rate	NOI development				
							Q1-Q3 2026	Q1-Q3 2025	2025	2024	2023
Galerija Centrs	Retail	2019	58,383	19,959	5.2%	84.5%	2,264	2,099	2,802	2,536	2,139
Postimaja and Apollo Plaza complex	Retail	2015/ 2018	39,030	17,109	6.5%	99.9%	1,903	1,616	2,217	1,926	2,126
Europa SC	Retail	2015	32,429	17,446	5.5%	82.8%	1,332	537	944	1,010	1,508
North Star	Office	2019	18,986	10,686	7.6%	93.4%	1,085	917	1,262	1,374	1,495
Upmalas Biroji	Office	2016	14,632	11,129	6.5%	57.4%	709	686	869	823	1,318
Vainodes I	Office	2017	12,504	8,128	6.6%	90.9%	623	1,007	1,242	1,432	1,431
S27	Office	2018	12,511	7,348	3.7%	67.0%	351	(137)	(148)	(85)	814
L/NK	Office	2011	11,473	10,767	5.3%	63.2%	457	834	1,015	1,038	1,068
Pirita SC	Retail	2016	10,680	5,425	8.0%	92.8%	642	621	832	839	761
Hipokrata SC	Retail	2013	4,701	3,260	5.6%	89.4%	198	332	438	446	420
Total active portfolio			**215,329**	**111,257**	**5.9%**	**82.5%**	**9,564**	**8,512**	**11,473**	**11,339**	**13,080**
Total disposed properties[3-5]								**197**	**190**	**249**	**1,537**
Total portfolio			**215,329**	**111,257**	**5.9%**	**82.5%**	**9,564**	**8,709**	**11,663**	**11,588**	**14,617**

1. Based on the latest valuations as of 30 September 2026 for Postimaja and Apollo Plaza complex and Pirita SC and as of 31 December 2025 for the remaining properties, recognized right-of-use assets and subsequent capital expenditure.
2. The net initial yield (NIY) is calculated by dividing annualized NOI by the market value of the property.
3. The Fund completed the disposal of the Duetto I and Duetto II properties on 6 June 2023.
4. The Fund completed the disposal of the Domus Pro Retail and Office complex on 6 March 2023.
5. The Fund completed the disposal of Meraki property on 13 March 2025.

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 and staff members of Lithuanian and Latvian subsidiaries (6 at the reporting date) as required by local law.

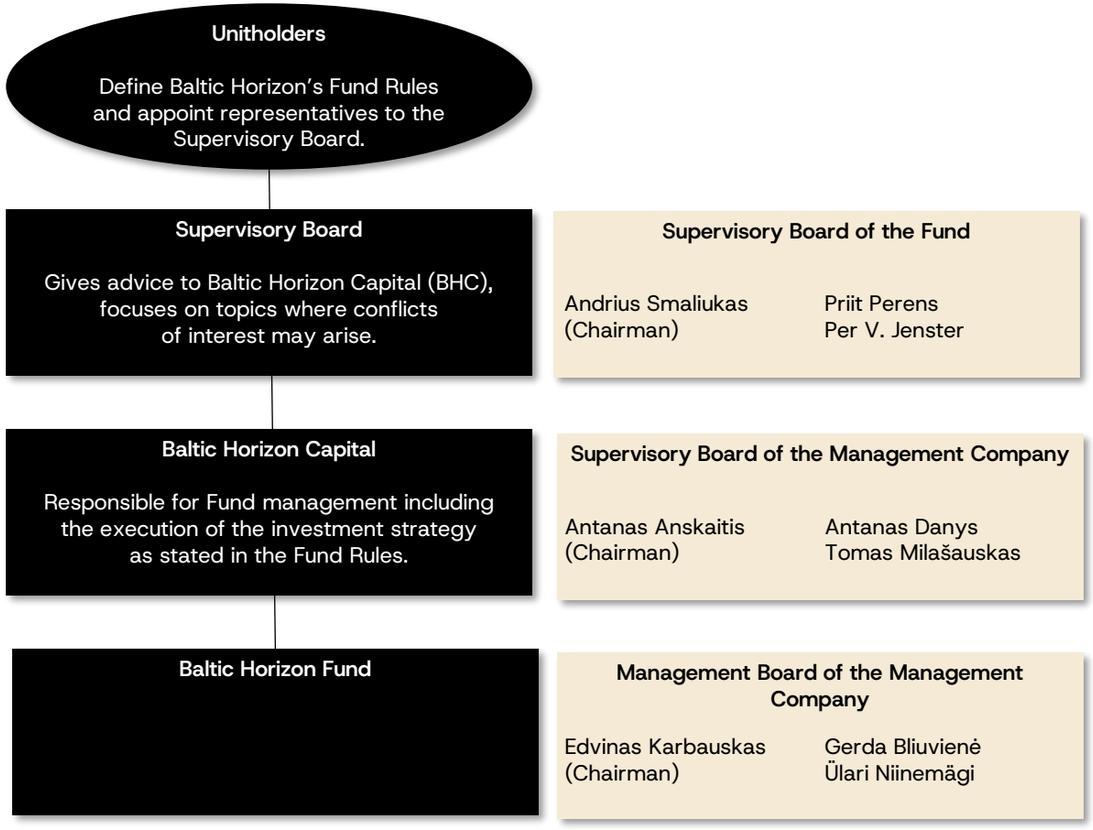
The Fund is managed by the Management Company, which is Baltic Horizon Capital AS. The immediate team comprises of the Management Board, which is headed by the Fund Manager, and the Supervisory Board of the Management Company. The Fund also has its own Supervisory Board, which comprises of 3 independent 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 three members. As of 1 April 2026, Edvinas Karbauskas joined the Management Board as the Co-Fund manager and as of 1 May 2026 was appointed as the Chairman of the Management Board and Fund Manager following the departure of Tarmo Karotam. As of 1 November 2026, Ülari Niinemägi was appointed as a new member of the Management Board. 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. As of 1 June 2026, Priit Perens joined the Supervisory Board following the departure of Milda Dargužaitė. The current Supervisory Board members have been elected for a two-year period starting from 1 June 2026.

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 chairman of the Supervisory Board 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

Edvinas Karbauskas
Chairman of the Management Board / Fund Manager



Edvinas Karbauskas is the Fund Manager of Baltic Horizon Fund. Edvinas has previously served as a Board member of Baltic Horizon Capital AS from January 2023 to June 2024, during which time he held the position of Co-Fund Manager. He subsequently joined Tech Zity Vilnius Group as CFO and Board member, where he was responsible for the development of the Tech Zity Vilnius campus, one of the largest mixed-use technology hubs in the Baltics. Prior to that, Edvinas worked at EY, providing audit and consulting services. Edvinas holds a Master's degree in Accounting and Auditing from Kaunas University of Technology.

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 Economic Policy from Vilnius University (2017).

Ülari Niinemägi
Member of the Management Board / Portfolio Manager



Ülari Niinemägi has more than twenty years of experience in commercial real estate asset and property management in the Baltics. Since December 2025, he has been responsible for the day-to-day management of Baltic Horizon Fund's Estonian properties. Before that, from November 2022 to December 2025, he managed US Real Estate's cash-flow portfolio in Tallinn. From 2007 to 2019, he worked at BPT Real Estate, where he was the chief executive officer of the Estonian unit from 2016, having previously led the group's development activities in Estonia, Latvia, Lithuania and Poland. Ülari holds a diploma in real estate management from Tallinn University of Technology.

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 investment/divestment 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.

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 firms, 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.

Priit Perens
Member of the Supervisory Board

Priit Perens is a senior banking and corporate executive with over 30 years of leadership experience across the Baltic financial, energy, and healthcare sectors. He currently serves as CEO of Tartu University Hospital and as Chairman of the Supervisory Board of Tallinna Sadam. Mr. Perens previously held multiple senior roles within Swedbank, including Head of Baltic Banking and CEO of Swedbank Estonia, and was a member of the Group Executive Management. His earlier career includes senior finance and treasury positions at Eesti Energia and other leading banking institutions in Estonia. Mr. Perens has also contributed extensively to public and supervisory roles, including positions at the Estonian Health Insurance Fund and the Estonian Employers Confederation. He holds a Master's degree in Economics from the University of Tartu and has completed executive education at INSEAD and the Helsinki School of Economics.

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), alongside 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 as a Chairman at Niche Masters Fund after serving 10 years as head of the board of the investment company.

Management Board's confirmation

Members of the Management Board of the Management Company Gerda Bliuvienė and Edvinas Karbauskas confirm that according to their best knowledge, the condensed consolidated interim financial statements for the nine-month period ended 30 September 2026, 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-month period ended 30 September 2026 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	01.07.2026 – 30.09.2026	01.07.2025 – 30.09.2025	01.01.2026 – 30.09.2026	01.01.2025 – 30.09.2025
Rental income		3,836	3,833	11,382	11,361
Service charge income	5	1,347	1,233	3,860	3,782
Cost of rental activities	5	(1,705)	(2,435)	(5,678)	(6,434)
Net rental income	**4**	**3,478**	**2,631**	**9,564**	**8,709**
Administrative expenses	6	(410)	(450)	(1,436)	(1,519)
Other operating income (expenses)		2	13	24	39
Losses on disposal of investment properties		-	(254)	-	(1,350)
Valuation gains (losses) on investment properties	10	5,072	(4)	4,752	(13)
Operating profit (loss)		**8,142**	**1,936**	**12,904**	**5,866**
Financial income		23	5	54	65
Financial expenses	7	(1,902)	(2,058)	(5,951)	(7,126)
Net financial expenses		**(1,879)**	**(2,053)**	**(5,897)**	**(7,061)**
Profit (loss) before tax		**6,263**	**(117)**	**7,007**	**(1,195)**
Income tax charge	4, 9	(58)	49	(104)	236
Profit (loss) for the period	**4**	**6,205**	**(68)**	**6,903**	**(959)**

EUR '000	Notes	01.07.2026 – 30.09.2026	01.07.2025 – 30.09.2025	01.01.2026 – 30.09.2026	01.01.2025 – 30.09.2025
Other comprehensive income that is or may be reclassified to profit or loss in subsequent periods					
Net gains (losses) on cash flow hedges	13b	226	159	519	101
Income tax relating to net gains (losses) on cash flow hedges	13b, 9	-	(1)	-	(8)
Other comprehensive profit (loss), net of tax, that is or may be reclassified to profit or loss in subsequent periods		**226**	**158**	**519**	**93**
Total comprehensive profit (loss) for the period, net of tax		**6,431**	**90**	**7,422**	**(866)**
Basic earnings per unit (EUR)	**8**	**0.03**	**(0.00)**	**0.03**	**(0.01)**
Diluted earnings per unit (EUR)	**8**	**0.03**	**(0.00)**	**0.03**	**(0.01)**

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

Consolidated statement of financial position

EUR '000	Notes	30.09.2026	31.12.2025
Non-current assets			
Investment properties	4, 10	215,329	208,940
Property, plant and equipment		6	7
Derivative financial instruments	19	333	-
Other non-current assets		-	242
Total non-current assets		**215,668**	**209,189**
Current assets			
Trade and other receivables	11	1,198	1,760
Prepayments		300	294
Cash and cash equivalents	12	8,310	5,377
Total current assets		**9,808**	**7,431**
Total assets	**4**	**225,476**	**216,620**
Equity			
Paid in capital	13a	163,765	151,495
Cash flow hedge reserve	13b	333	(186)
Retained earnings		(66,156)	(73,059)
Total equity		**97,942**	**78,250**

EUR '000	Notes	30.09.2026	31.12.2025
Non-current liabilities			
Interest-bearing loans and borrowings	14	90,452	77,443
Deferred tax liabilities	9	741	644
Derivative financial instruments	19	-	186
Other non-current liabilities		1,383	1,110
Total non-current liabilities		**92,576**	**79,383**
Current liabilities			
Interest-bearing loans and borrowings	14	32,043	55,842
Trade and other payables	15	2,572	2,729
Income tax payable		-	14
Other current liabilities		343	402
Total current liabilities		**34,958**	**58,987**
Total liabilities	**4**	**127,534**	**138,370**
Total equity and liabilities		**225,476**	**216,620**

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

Consolidated statement of changes in equity

EUR '000	Notes	Paid in capital	Cash flow hedge reserve	Retained earnings	Total equity
As of 1 January 2025		**151,495**	**(420)**	**(52,980)**	**98,095**
Comprehensive income profit (loss)					
Net profit (loss) for the period		–	–	(20,079)	(20,079)
Other comprehensive profit (loss)	13b	–	234	–	234
Total comprehensive profit (loss)		**–**	**234**	**(20,079)**	**(19,845)**
As of 31 December 2025		**151,495**	**(186)**	**(73,059)**	**78,250**
As of 1 January 2026		**151,495**	**(186)**	**(73,059)**	**78,250**
Comprehensive income profit (loss)					
Net profit (loss) for the period		–	–	6,903	6,903
Other comprehensive profit (loss)	13b	–	519	–	519
Total comprehensive profit (loss)		**–**	**519**	**6,903**	**7,422**
Capital increase		**12,270**	**–**	**–**	**12,270**
As of 30 September 2026		**163,765**	**333**	**(66,156)**	**97,942**

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

Consolidated statement of cash flows

EUR '000	Notes	01.01.2026 – 30.09.2026	01.01.2025 – 30.09.2025
Cash flows from core activities			
Profit (loss) before tax		**7,007**	**(1,195)**
Adjustments for non-cash items:			
Value adjustment of investment properties	10	(4,752)	13
Losses on disposal of investment properties		–	1,350
Value adjustment of derivative finance instruments		–	(43)
Depreciation of property, plant and equipment		1	8
Change in impairment losses for trade receivables	11	267	520
Financial income		(54)	(65)
Financial expenses	7	5,951	7,126
Working capital adjustments:			
Change in trade and other accounts receivable		295	275
Change in other current assets		(6)	395
Change in other non-current liabilities		273	(267)
Change in trade and other accounts payable		105	(2,044)
Change in other current liabilities		(66)	(259)
Income tax paid		–	(16)
Total cash flows from core activities		**9,021**	**5,798**

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

EUR '000	Notes	01.01.2026 – 30.09.2026	01.01.2025 – 30.09.2025
Cash flows from investing activities			
Interest received		54	65
Proceeds from disposal of investment property		–	15,302
Capital expenditure on investment properties		(1,637)	(3,555)
Total cash flows from investing activities		**(1,583)**	**11,812**
Cash flows from financing activities			
Proceeds from bank loans		1,500	490
Repayment of bank loans		(4,869)	(12,136)
Repayment of bonds		(7,500)	(3,000)
Transaction costs related to loans and borrowings		(285)	(15)
Proceeds from issue of units		12,270	–
Repayment of lease liabilities		(4)	(10)
Interest paid		(5,617)	(6,972)
Total cash flows from financing activities		**(4,505)**	**(21,643)**
Net change in cash and cash equivalents		**2,933**	**(4,033)**
Cash and cash equivalents at the beginning of the year		**5,377**	**10,053**
Cash and cash equivalents at the end of the period		**8,310**	**6,020**

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. 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 registered office is at Roseni 7, 10111 Tallinn, Estonia.

The Fund started in 2016 as the first listed real estate investment trust in the Baltics with the intention to invest into commercial real estate and generate attractive returns for its investors. Since its last investment made in 2019 the Fund has faced excessive indebtedness and a series of external shocks which in combination have caused the performance deteriorate dramatically. The turnaround of the Fund is underway, however it is highly uncertain as to how successful it will be, and whether the Fund will come back to being able to restart regular distributions to its unitholders. Once the over indebtedness is resolved and commercial performance of the properties held by the Fund is restored, the Management will determine the most viable future strategy.

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

Name	30.09.2026	31.12.2025
BH Lincona OÜ	100%	100%
BH CC Plaza OÜ	100%	100%
BH Europa UAB	100%	100%
Kontor SIA	100%	100%
Pirita Center OÜ	100%	100%
BH Rīga SIA	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 2025. 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 2026 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 2025.

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 2025.

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:

Estonia segment includes L/NK Office Complex, Pirita Shopping Centre, Postimaja Shopping centre and Apollo Plaza investment properties.

Latvia segment includes Galerija Centrs Shopping Centre, Hipokrata Shopping Centre, Upmalas Biroji, Vainodes I and S27 investment properties.

Lithuania segment includes Europa Shopping Centre and North Star investment properties.

For management purposes, the Group is organized into three business segments based on the geographical location 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 2026

EUR '000	Estonia	Latvia	Lithuania	Total
01.07.2026–30.09.2026:				
External revenue[1]	1,370	2,231	1,582	5,183
Segment net rental income	**1,077**	**1,473**	**928**	**3,478**
Net gain/loss from fair value adjustment	5,075	(4)	1	5,072
Interest expenses[2]	(437)	(726)	(342)	(1,505)
Income tax income (expenses)	–	–	(58)	(58)
Segment net profit	**5,651**	**743**	**498**	**6,892**
01.01.2026–30.09.2026:				
External revenue[1]	4,072	6,816	4,354	15,242
Segment net rental income	**3,002**	**4,145**	**2,417**	**9,564**
Net gain/loss from fair value adjustment	5,075	(278)	(45)	4,752
Interest expenses[2]	(1,248)	(2,160)	(975)	(4,383)
Income tax income (expenses)	–	–	(104)	(104)
Segment net profit	**6,707**	**1,573**	**1,118**	**9,398**
As of 30.09.2026:				
Segment assets	**62,393**	**105,518**	**52,920**	**220,831**
Investment properties	61,183	102,731	51,415	215,329
Segment liabilities	**32,967**	**55,694**	**26,749**	**115,410**

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 2025

EUR '000	Estonia	Latvia	Lithuania	Total
01.07.2025–30.09.2025:				
External revenue[1]	1,503	2,331	1,232	5,066
Segment net rental income	**1,077**	**1,289**	**265**	**2,631**
Net gain/loss from fair value adjustment	–	(4)	–	(4)
Interest expenses[2]	(420)	(771)	(323)	(1,514)
Income tax income (expenses)	–	–	49	49
Segment net profit (loss)	**647**	**477**	**(32)**	**1,092**
01.01.2025–30.09.2025:				
External revenue[1]	4,295	6,887	3,961	15,143
Segment net rental income	**3,071**	**3,987**	**1,651**	**8,709**
Net gain/loss from fair value adjustment	–	(13)	–	(13)
Interest expenses[2]	(1,324)	(2,369)	(1,181)	(4,874)
Income tax income (expenses)	–	(3)	239	236
Segment net profit (loss)	**1,735**	**1,471**	**(556)**	**2,650**
As of 30.09.2025:				
Segment assets	**59,621**	**117,886**	**58,156**	**235,663**
Investment properties	57,975	114,136	56,209	228,320
Segment liabilities	**34,300**	**59,265**	**27,284**	**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.

Reconciliation of information on reportable segments to IFRS measures

Operating segments – 30 September 2026

EUR '000	Total reportable segments	Adjustments	Consolidated
01.07.2026–30.09.2026:			
Net profit (loss)	**6,892**	**(687)[1]**	**6,205**
01.01.2026–30.09.2026:			
Net profit (loss)	**9,398**	**(2,495)[2]**	**6,903**
As of 30.09.2026:			
Segment assets	**220,831**	**4,645[3]**	**225,476**
Segment liabilities	**115,410**	**12,124[4]**	**127,534**

1. Segment net profit (loss) for Q3 2026 does not include Fund management fee (EUR 314 thousand), bond interest expenses (EUR 301 thousand), bond arrangement fee amortisation (EUR 38 thousand), Fund custodian fees (EUR 10 thousand) and other Fund-level administrative expenses (EUR 24 thousand).
2. Segment net profit (loss) for Q1–Q3 2026 does not include Fund management fee (EUR 862 thousand), bond interest expenses (EUR 1,061 thousand), bond arrangement fee amortisation (EUR 114 thousand), bond prepayment fee (EUR 263 thousand), Fund custodian fees (EUR 30 thousand), and other Fund-level administrative expenses (EUR 165 thousand).
3. Segment assets do not include cash, which is held at the Fund level (EUR 4,629 thousand) and prepayment and other receivables at the Fund level (EUR 16 thousand).
4. Segment liabilities do not include liabilities related to a bond issue at the Fund level (EUR 11,258 thousand), accrued bond coupon expenses (EUR 169 thousand), management fee payable (EUR 611 thousand), and other short-term payables at the Fund level (EUR 86 thousand).

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 profit (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 profit (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).

Major tenant

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

5. Cost of rental activities

EUR '000	01.07.2026 – 30.09.2026	01.07.2025 – 30.09.2025	01.01.2026 – 30.09.2026	01.01.2025 – 30.09.2025
Utilities	548	267	1,669	914
Repair and maintenance	465	801	1,455	2,397
Real estate taxes	281	235	883	721
Property management expenses	258	330	824	997
Allowance (reversal of allowance) for bad debts	(68)	499	267	520
Sales and marketing expenses	111	143	319	406
Property insurance	30	39	98	114
Other	80	121	163	365
Total cost of rental activities	**1,705**	**2,435**	**5,678**	**6,434**

Part of the total cost of rental activities (mainly utilities and repair and maintenance expenses) was recharged to tenants: EUR 3,860 thousand during the nine-month period ended 30 September 2026 (EUR 3,782 thousand during the nine-month period ended 30 September 2025).

6. Administrative expenses

EUR '000	01.07.2026 – 30.09.2026	01.07.2025 – 30.09.2025	01.01.2026 – 30.09.2026	01.01.2025 – 30.09.2025
Management fee	314	306	862	912
Legal fees	(5)	22	88	82
Consultancy fees	4	3	12	22
Audit fees	37	27	114	111
Fund marketing expenses	5	8	22	33
Custodian fees	10	11	30	33
Accounting fees	8	10	24	27
Supervisory board fees	14	17	43	45
Listing related expenses	1	13	32	84
VAT	1	4	5	16
Other administrative expenses	21	29	204	154
Total administrative expenses	**410**	**450**	**1,436**	**1,519**

Other administrative expenses during the nine-month period ended 30 September 2026 include EUR 124 thousand in write-offs related to prior-period accruals.

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.

The Management Company is entitled to calculate the performance fee, however, 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	01.07.2026 – 30.09.2026	01.07.2025 – 30.09.2025	01.01.2026 – 30.09.2026	01.01.2025 – 30.09.2025
Interest on external loans and borrowings	1,804	1,994	5,438	6,430
Loan arrangement fee amortisation	55	57	169	242
Interest on lease liabilities	2	2	6	7
Other financial expenses	41	5	338	447
Total financial expenses	**1,902**	**2,058**	**5,951**	**7,126**

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	01.07.2026 – 30.09.2026	01.07.2025 – 30.09.2025	01.01.2026 – 30.09.2026	01.01.2025 – 30.09.2025
Profit (loss) for the period, attributed to the unitholders of the Fund	**6,205**	**(68)**	**6,903**	**(959)**

Weighted-average number of units:

	01.07.2026 – 30.09.2026	01.07.2025 – 30.09.2025	01.01.2026 – 30.09.2026	01.01.2025 – 30.09.2025
Issued units at the end of period	226,576,150	143,562,514	226,576,150	143,562,514
Weighted-average number of units	**226,576,150**	**143,562,514**	**206,202,840**	**143,562,514**

Basic and diluted earnings per unit:

EUR '000	01.07.2026 – 30.09.2026	01.07.2025 – 30.09.2025	01.01.2026 – 30.09.2026	01.01.2025 – 30.09.2025
Basic earnings per unit	0.03	(0.00)	0.03	(0.01)
Diluted earnings per unit*	0.03	(0.00)	0.03	(0.01)

*In March 2026, the Fund diluted its earnings per unit by issuing 83,013,636 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 2026 was minus 1.5% (nine-month period ended 30 September 2025: minus 19.7%).

As of 30 September 2026, the Group had tax losses of EUR 5,215 thousand (31 December 2025: EUR 6,602 thousand) that are available indefinitely for offset against future taxable profits of the Lithuanian companies in which the losses arose. As of 30 September 2026, deferred tax liabilities on the difference between investment property fair and tax value and other deferred tax liabilities amounted to EUR 5,956 thousand (31 December 2025: EUR 7,246 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 2026 and 2025 were as follows:

EUR '000	01.07.2026 – 30.09.2026	01.07.2025 – 30.09.2025	01.01.2026 – 30.09.2026	01.01.2025 – 30.09.2025
Consolidated statement of profit or loss				
Current income tax for the period	–	–	–	(3)
Deferred tax for the period	(58)	49	(104)	239
Income tax income reported in profit or loss	**(58)**	**49**	**(104)**	**236**
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)	–	(8)
Income tax reported in other comprehensive income	**–**	**(1)**	**–**	**(8)**

10. Investment property

EUR '000	30.09.2026	31.12.2025
Balance at 1 January	**208,940**	**241,158**
Capital expenditure	1,637	4,764
Disposals	–	(16,380)
Net revaluation gain (loss) on investment property	4,765	(20,584)
Net revaluation loss on right-of-use assets	(13)	(18)
Closing balance	**215,329**	**208,940**
Closing balance excluding right-of-use assets	**215,122**	**208,720**

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 Postimaja and Apollo Plaza complex and Pirita SC properties are based on the valuation of investment properties performed by Newsec as of 30 September 2026. The values of all remaining properties are based on the valuation of investment properties performed by Newsec as of 31 December 2025, 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 2025, and 30 September 2026:

Segment		Valuation technique	Key unobservable inputs	Range
Estonia		DCF	**Discount rate**	8.35% – 9.7%
Net leasable area (NLA)	33,301 sq. m.		**Rental growth p.a.**	0.85% – 5.1%
Year of construction/renovation	1980–2016		**Exit yield**	7.0% – 8.5%
			Average rent (EUR/sq. m)	9.71 – 13.6
Latvia		DCF	**Discount rate**	8.6% – 9.78%
Net leasable area (NLA)	49,824 sq. m.		**Rental growth p.a.**	0.0% – 3.4%
Year of construction/renovation	2006–2014		**Exit yield**	7.0% – 8.5%
			Average rent (EUR/sq. m)	10.8 – 16.58
Lithuania		DCF	**Discount rate**	9.15% – 9.55%
Net leasable area (NLA)	28,132 sq. m.		**Rental growth p.a.**	2.4% – 4.51%
Year of construction/renovation	2004–2009		**Exit yield**	7.5%
			Average rent (EUR/sq. m)	11.92 – 13.44

The table in the next column sets out information about significant unobservable inputs used at 31 December 2025 and at 30 September 2026 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	7.0% – 8.5%	An increase in exit yield in isolation would result in a lower value of Investment property.
		Discount rate	8.35% – 9.78%	An increase in discount rate in isolation would result in a lower value of Investment property.
		Rental growth p.a.	0.0% – 5.1%	An increase in rental growth in isolation would result in a higher value of Investment property.

The book values of investment properties as of 30 September 2026 were as follows:

EUR '000	Total fair value Level 3
Latvia – Galerija Centrs (retail)	58,383
Estonia – Postimaja and Apollo Plaza (retail)	39,030
Lithuania – Europa (retail)	32,429
Lithuania – North Star (office)	18,986
Latvia – Upmalas Biroji (office)	14,632
Latvia – Vainodes I (office)	12,504
Latvia – S27 (office)	12,511
Estonia – L/NK (office)	11,473
Estonia – Pirita (retail)	10,680
Latvia – Hipokrata (retail)	4,701
Total	**215,329**

11. Trade and other receivables

EUR '000	30.09.2026	31.12.2025
Trade receivables, gross	1,909	2,293
Less impairment allowance for doubtful receivables	(1,197)	(994)
Accrued income	465	432
Other accounts receivable	21	29
Total	**1,198**	**1,760**

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

As of 30 September 2026, trade receivables at a nominal value of EUR 1,197 thousand were fully impaired (EUR 994 thousand as of 31 December 2025).

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

EUR '000	30.09.2026	31.12.2025
Balance as of 1 January	(994)	(649)
Charge for the period	(267)	(540)
Amounts written off	64	195
Balance at end of period	**(1,197)**	**(994)**

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
30.09.2026	**712**	441	156	43	34	15	23
31.12.2025	**1,299**	725	345	82	61	55	31

12. Cash and cash equivalents

EUR '000	30.09.2026	31.12.2025
Cash at banks and on hand	8,310	5,377
Total cash	**8,310**	**5,377**

As of 30 September 2026, the Fund's consolidated cash and cash equivalents amounted to EUR 8.3 million. Of this balance, EUR 2.2 million is subject to internal use restrictions under credit agreements, which restrict payments to the Parent company and related parties but allow the funds to be used to meet ongoing business obligations. Additionally, EUR 1.2 million is restricted, of which EUR 1.0 million is pledged under a security account pledge agreement and EUR 0.2 million is held as a deposit required by the bank.

13. Equity

13a. Paid in capital

The units are currently listed on the Fund List of the Nasdaq Tallinn Stock Exchange. As of 30 September 2026, the total number of the Fund's units was 226,576,150 (31 December 2025: 143,562,514). Units issued are presented in the table below:

EUR '000	Number of units	Amount
As of 1 January 2026	**143,562,514**	**151,495**
Increase in the number of units and capital	83,013,636	12,270
As of 30 September 2026	**226,576,150**	**163,765**

In March 2026, Baltic Horizon Fund successfully completed a private placement and issued 83,013,636 new units with a gross value of EUR 12.3 million.

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 2026 and 31 December 2025.

The Fund did not hold its own units as of 30 September 2026 and 31 December 2025.

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 2026 and 31 December 2025. Please refer to note 19 for more information.

EUR '000	30.09.2026	31.12.2025
Balance at the beginning of the year	**(186)**	**(420)**
Movement in fair value of existing hedges	519	252
Movement in deferred income tax (note 9)	–	(18)
Net variation during the period	**519**	**234**
Balance at the end of the period	**333**	**(186)**

14. Interest-bearing loans and borrowings

EUR '000	Maturity	Effective interest rate	30.09.2026	31.12.2025
Non-current borrowings				
Unsecured bonds[1]	May 2028	3M EURIBOR + 8.00%	11,258	–
Bank 1[2]	Jan 2028	3M EURIBOR + 2.25%	2,331	–
Bank 1[3]	Jan 2028	3M EURIBOR + 1.60%	8,937	–
Bank 1[3]	Jan 2028	3M EURIBOR + 1.90%	6,866	–
Bank 1[4]	Feb 2027	6M EURIBOR + 1.90%	–	4,281
Bank 1	Dec 2027	6M EURIBOR + 2.25%	7,761	7,760
Bank 2[6]	Aug 2027	6M EURIBOR + 3.80%	–	28,120
Bank 3[5]	Jan 2029	6M EURIBOR + 2.80%	14,697	–
Bank 3	Feb 2029	6M EURIBOR + 3.00%	9,781	8,798
Bank 4	Nov 2029	6M EURIBOR + 3.00%	20,517	20,800
Bank 5	Aug 2028	6M EURIBOR + 2.50%	9,483	9,798
Lease liabilities			208	220
Less current portion of bank loans and bonds			(1,383)	(2,320)
Less current portion of lease liabilities			(4)	(14)
Total non-current debt			**90,452**	**77,443**

1. Despite the bond's maturity date of 8 May 2028, the remaining balance was reclassified as a current liability according to IFRS due to non-compliance with the equity ratio covenant as of 31 December 2025. The Fund's equity ratio covenant non-compliance has been resolved by the new unit offering in March 2026 within the allowed term, thus, the bonds were reclassified as non-current as of 30 September 2026.
2. Despite the loan's maturity date of 31 January 2028, the remaining balance was reclassified as a current liability according to IFRS due to non-compliance with the NOI covenant as of 31 December 2025. The covenant non-compliance has been resolved by receiving a waiver from the Bank and the covenant has been removed altogether in March 2026, thus, the loan was reclassified as non-current as of 30 September 2026.
3. The loans were reclassified as long-term since the maturity of the loans were extended to January 2028.
4. The loan was reclassified as short-term since the maturity of the loan is February 2027.
5. Despite the loan's maturity date of 31 January 2029, the remaining balance was reclassified as a current liability according to IFRS due to non-compliance with the equity covenant as of 31 December 2025. The covenant non-compliance has been resolved by raising the equity of the Company in March 2026, thus, the loan was reclassified as non-current as of 30 September 2026.
6. The loan was reclassified as short-term since the maturity of the loan is August 2027.

EUR '000	Maturity	Effective interest rate	30.09.2026	31.12.2025
Current borrowings				
Unsecured bonds[1]	May 2028	3M EURIBOR + 8.00%	–	18,643
Bank 2[6]	Aug 2027	6M EURIBOR + 3.80%	26,480	–
Bank 3[5]	Jan 2029	6M EURIBOR + 2.80%	–	15,388
Bank 1[2]	Jan 2028	3M EURIBOR + 2.25%	–	2,552
Bank 1[3]	Jan 2028	3M EURIBOR + 1.90%	–	7,364
Bank 1[3]	Jan 2028	3M EURIBOR + 1.60%	–	9,561
Bank 1[4]	Feb 2027	6M EURIBOR + 1.90%	4,176	–
Current portion of non-current bank loans and bonds			1,383	2,320
Current portion of lease liabilities			4	14
Total current debt			**32,043**	**55,842**
Total			**122,495**	**133,285**

1. Despite the bond's maturity date of 8 May 2028, the remaining balance was reclassified as a current liability according to IFRS due to non-compliance with the equity ratio covenant as of 31 December 2025. The Fund's equity ratio covenant non-compliance has been resolved by the new unit offering in March 2026 within the allowed term, thus, the bonds were reclassified as non-current as of 30 September 2026.
2. Despite the loan's maturity date of 31 January 2028, the remaining balance was reclassified as a current liability according to IFRS due to non-compliance with the NOI covenant as of 31 December 2025. The covenant non-compliance has been resolved by receiving a waiver from the Bank and the covenant has been removed altogether in March 2026, thus, the loan was reclassified as non-current as of 30 September 2026.
3. The loans were reclassified as long-term since the maturity of the loans were extended to January 2028.
4. The loan was reclassified as short-term since the maturity of the loan is February 2027.
5. Despite the loan's maturity date of 31 January 2029, the remaining balance was reclassified as a current liability according to IFRS due to non-compliance with the equity covenant as of 31 December 2025. The covenant non-compliance has been resolved by raising the equity of the Company in March 2026, thus, the loan was reclassified as non-current as of 30 September 2026.
6. The loan was reclassified as short-term since the maturity of the loan is August 2027.

Covenant reporting

As of 30 September 2026, the Fund was in compliance with the DSCR covenant set under the bond issue terms and conditions dated 8 May 2023 and amended on 26 September 2024 and 12 June 2025.

As of 30 September 2026, the Fund was in compliance with all special conditions and covenants set under the bank loan agreements.

Bond covenant reporting

Bond covenant	Requirement	Ratio 30.09.2026
Equity Ratio	> 37.5%*	43.4%
Debt Service Coverage Ratio	> 1.0**	1.1

* Equity ratio must be above 37.5%.
** As stated in Bond Terms and Conditions amended on 26 September 2024, the DSCR of the Group must be above 1.0 for the period from 1 July 2025 to 30 September 2026 and above 1.2 afterwards.

Loan and bond securities

Borrowings received were secured with the following pledges and securities as of 30 September 2026:

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

*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	Baltic Horizon Fund for BH Rīga SIA up to EUR 1,500,000			BH Rīga SIA	BH Rīga SIA
Bank 2	Baltic Horizon Fund for BH Galerija Centrs SIA up to EUR 5,000,000				BH Galerija Centrs SIA
Bank 3				BH Europa UAB, BH Northstar UAB	
Bank 5	Baltic Horizon Fund for Kontor SIA				Kontor SIA

15. Trade and other payables

EUR '000	30.09.2026	31.12.2025
Trade payables	977	1,112
Management fee payable	611	686
Accrued financial expenses	403	496
Accrued expenses	207	129
Tax payables	231	156
Other payables	143	150
Total trade and other payables	**2,572**	**2,729**

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 2026, 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 2026.

16c. Contingent liabilities

The Group did not have any contingent liabilities as of 30 September 2026.

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 (the Management Company) carries out asset manager functions on behalf of the Fund and the Fund pays management fees for it (note 6). The Management company owns Gene Investments OÜ which held 4.9% of the Fund units as of 30 September 2026.

The Group's transactions with related parties during Q1–Q3 2026 and 2025 were the following:

EUR '000	01.01.2026 – 30.09.2026	01.01.2025 – 30.09.2025
Baltic Horizon Capital AS		
Management fees	**862**	**912**

The Group's balances with related parties as of 30 September 2026 and 31 December 2025 were the following:

EUR '000	30.09.2026	31.12.2025
Baltic Horizon Capital AS		
Management fees payable	**611**	**686**

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 million 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 2026.

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 43 thousand during Q1-Q3 2026 (EUR 45 thousand during Q1-Q3 2025). 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 Management company owns Gene Investments OÜ which held 4.9% of the Fund units as of 30 September 2026.

The holders of units owning more than 5% of the units in total as of 30 September 2026 and 31 December 2025 are presented in the tables below:

As of 30 September 2026	Number of units	Percentage
Swedbank AB, Lithuania clients	110,714,049	48.9%
Skandinaviska Enskilda Banken AB clients	14,259,045	6.3%

As of 31 December 2025	Number of units	Percentage
Swedbank AB, Lithuania clients	57,399,802	40.0%
Skandinaviska Enskilda Banken AB clients	13,770,162	9.6%
Raiffeisen Bank International AG clients	8,543,169	6.0%

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	
	30.09.2026	31.12.2025	30.09.2026	31.12.2025
Financial assets				
Trade and other receivables	1,198	1,760	1,198	1,760
Cash and cash equivalents	8,310	5,377	8,310	5,377
Derivative financial instruments	333	–	333	–
Financial liabilities				
Interest-bearing loans and borrowings				
Bank loans	(111,029)	(114,422)	(111,029)	(114,422)
Bonds	(11,258)	(18,643)	(11,500)	(19,000)
Trade and other payables	(2,572)	(2,729)	(2,572)	(2,729)
Derivative financial instruments	–	(186)	–	(186)

Fair value hierarchy

Quantitative disclosures of the Group's financial instruments in the fair value measurement hierarchy as of 30 September 2026 and 31 December 2025:

As of 30 September 2026

EUR '000	Level 1	Level 2	Level 3	Total fair value
Financial assets				
Trade and other receivables	–	–	1,198	1,198
Cash and cash equivalents	–	8,310	–	8,310
Derivative financial instruments	–	333	–	333
Financial liabilities				
Interest-bearing loans and borrowings				
Bank loans	–	–	(111,029)	(111,029)
Bonds	–	–	(11,500)	(11,500)
Trade and other payables	–	–	(2,572)	(2,572)

As of 31 December 2025

EUR '000	Level 1	Level 2	Level 3	Total fair value
Financial assets				
Trade and other receivables	–	–	1,760	1,760
Cash and cash equivalents	–	5,377	–	5,377
Financial liabilities				
Interest-bearing loans and borrowings				
Bank loans	–	–	(114,422)	(114,422)
Bonds	–	–	(19,000)	(19,000)
Trade and other payables	–	–	(2,729)	(2,729)
Derivative financial instruments	–	(186)	–	(186)

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 2026, 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) 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. 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)	30.09.2026	31.12.2025
IRS	Dec 2024	Nov 2027	13,150	6M EURIBOR	2.45%	115	(58)
IRS	Dec 2024	Nov 2027	13,150	6M EURIBOR	2.39%	122	(45)
IRS	Dec 2024	Oct 2027	2,361	3M EURIBOR	2.33%	20	(9)
IRS	Dec 2024	Oct 2027	8,012	6M EURIBOR	2.50%	50	(51)
IRS	Dec 2024	Oct 2027	4,012	6M EURIBOR	2.50%	26	(23)
Derivative financial instruments, assets						**333**	**-**
Derivative financial instruments, liabilities						**-**	**(186)**
Net value of financial derivatives						**333**	**(186)**

Derivative financial instruments were accounted for at fair value as of 30 September 2026 and 31 December 2025. The maturity of the derivative financial instruments of the Group is as follows:

Classification according to maturity

EUR '000	Liabilities		Assets	
	30.09.2026	31.12.2025	30.09.2026	31.12.2025
Non-current	-	(186)	333	-
Current	-	-	-	-
Total	**-**	**(186)**	**333**	**-**

20. Subsequent events

As of 1 November 2026, Ülari Niinemägi was appointed as a new member of the Management Board.

After the quarter end, the Fund signed a preliminary sale and purchase agreement for the smaller of the two connected office blocks of North Star in Vilnius (approx. 3,057 sqm) at a price of around EUR 5.3 million, with closing expected in H1 2027.

There were no other 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%
BH CC Plaza OÜ	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%
BH Rīga SIA	Skanstes iela 27, Riga, Latvia	40103810023	15 August 2018	Asset holding company	100%
BH Galerija Centrs SIA	Audeju str. 16, Riga, 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 5 November 2026.

Edvinas Karbauskas

Chairman of the Management Board

Gerda Bliuvienė

Member of the Management Board

Appendices

Definitions and abbreviations

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.

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.

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.

NLA

Net leasable area. Leasable space that can be rented to tenants, excluding non-leasable areas such as hallways, utility rooms, and other common spaces.

NOI

Net operating income.

Occupancy rate

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

Rental growth

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

Baltic Horizon

Baltic Horizon Fund is managed by Alternative Investment Fund Manager license holder Baltic Horizon Capital AS.

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