BALTIC SEA PROPERTIES

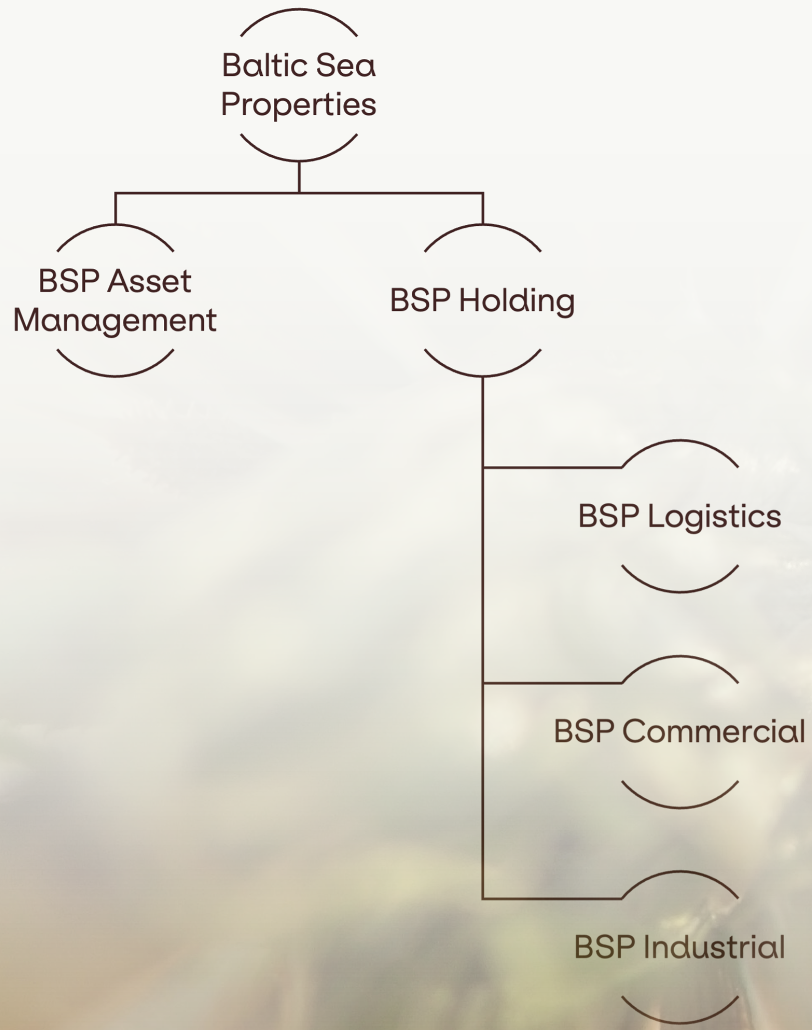
Half-year report - Q2 2025

About us

Baltic Sea Properties is a Norwegian public listed, open-ended and fully integrated investment company. The company is among the Baltics' leading real estate investors and developers – owning a diversified cash flow generating portfolio of modern real estate in the logistics, industrial and commercial segments.

Our strategy is to develop long-term relationships with strong clients and to hold high-quality assets in attractive locations. We grow our portfolio by own developments and acquisitions with the objective to maximise shareholder values and the company's dividend capacity.

The property management is conducted through fully-owned subsidiaries by a professional management team with deep knowledge of the Baltic real estate market



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Disclaimer:

This report has been prepared by Baltic Sea Properties AS in good faith and to our best ability with the purpose to give the company's shareholders updated information about the company's operations and status. This document must not be understood as an offer or encouragement to invest in the company. The financial figures presented are unadited and may thus include discrepancies. Baltic Sea Properties AS further makes reservations that errors may have occurred in its calculations of key figures or in the development of the report which may contribute to an inaccurate impression of the company's status and/or operations. The report also includes descriptions and comments which are based on subjective assumptions and considerations, and thus must not be understood as a guarantee of future events or future profits.

Operational and financial highlights

30th June 2025 (Q2)

Top Line Growth — Improving Results as Financing Costs Decline

Rental income rose 11% to mEUR 4.60 in the first half of 2025 (from mEUR 4.14 in the first half of 2024), driven by CPI indexation and the commencement of rental income from newly developed premises for ESO at Liepų Parkas (Klaipėda) early in the year.

Direct ownership costs for the first six months of 2025 amounted to mEUR 0.20, up from mEUR 0.13 in the same period last year. Net rent increased to mEUR 4.40 from mEUR 4.01, demonstrating our ability to grow NOI through both new projects and active asset management, where the majority of direct ownership costs are recovered through lease agreements.

Administration costs for the period were mEUR 0.77, up from mEUR 0.65 last year, while other operating expenses decreased to mEUR 0.42 from mEUR 0.49.

As a result, EBITDA increased 11% to mEUR 3.29 from mEUR 2.96 last year, and Income from Property Management grew 57% to mEUR 1.66 compared with mEUR 1.06. These results highlight not only strong top-line growth but also our ability to translate revenues into higher operating profits through disciplined cost control and active asset management. Importantly, the improvement reflects sustainable drivers, CPI linked rental growth, successful project deliveries, and structurally lower financing costs, providing a solid foundation for further earnings growth.

Valuations Remain Relatively Stable

We observed a modest upward movement in market yields in the first half of 2025, but higher CPI expectations supported a like-for-like valuation gain of mEUR 0.49. Annualised return on equity was 5.7% (vs. 5.4% last year, incl. dividends), with profit after tax of mEUR 1.34.

Impact from Tax Increases

While the successive increases in Lithuanian corporate tax (from 15% to 16% in 2025 and to 17% in 2026) have temporarily weighed on returns through higher deferred tax liabilities, we do not expect further tax increases beyond these defence-related measures. Looking ahead, we see upside from active asset management, scale benefits, and a stable tax framework, which should strengthen run-rate returns going forward.

Maintaining Dividend Capacity

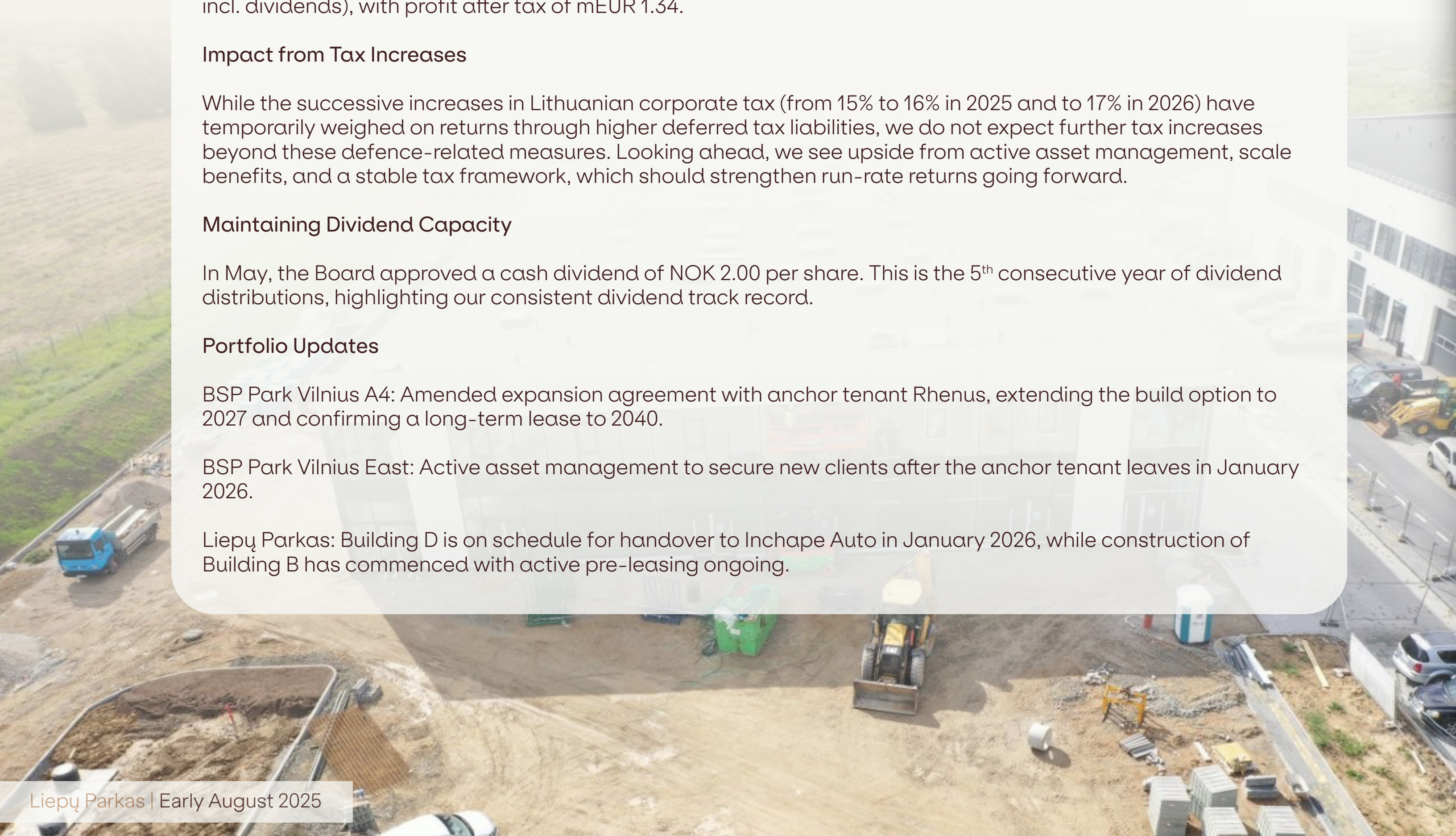
In May, the Board approved a cash dividend of NOK 2.00 per share. This is the 5th consecutive year of dividend distributions, highlighting our consistent dividend track record.

Portfolio Updates

BSP Park Vilnius A4: Amended expansion agreement with anchor tenant Rhenus, extending the build option to 2027 and confirming a long-term lease to 2040.

BSP Park Vilnius East: Active asset management to secure new clients after the anchor tenant leaves in January 2026.

Liepų Parkas: Building D is on schedule for handover to Inchape Auto in January 2026, while construction of Building B has commenced with active pre-leasing ongoing.



Liepų Parkas | Early August 2025

Liepų Parkas | Early August 2025

Key Figures

30th June 2025 (Q2)

Per share	30 Jun 2025	31 Dec 2024	30 Jun 2024
Net Asset Value (NAV) in NOK	72.72	72.52	66.41
NAV in EUR	6.14	6.15	5.83
Annulised Return NAV incl. dividend (NOK)*	6.40%	16.78%	8.43%
Annulised Return NAV incl. dividend (EUR) *	5.70%	11.22%	5.42%
Dividend distributed (NOK)	2.00	1.75	1.75
Dividend distributed (EUR)	0.17	0.15	0.15
Last transaction price per date (NOK)	53.00	49.46	50.00
Number of shares issued	8 696 077	8 696 077 *	8 469 627 *
EURNOK rate, balance sheet date [1]	11.83	11.80	11.40
EURNOK rate, YTD average [2]	11.66	11.63	11.49

1) EURNOK rate per balance sheet date is used when converting balance sheet figures.
2) EURNOK YTD average rate is used when converting P&L figures.

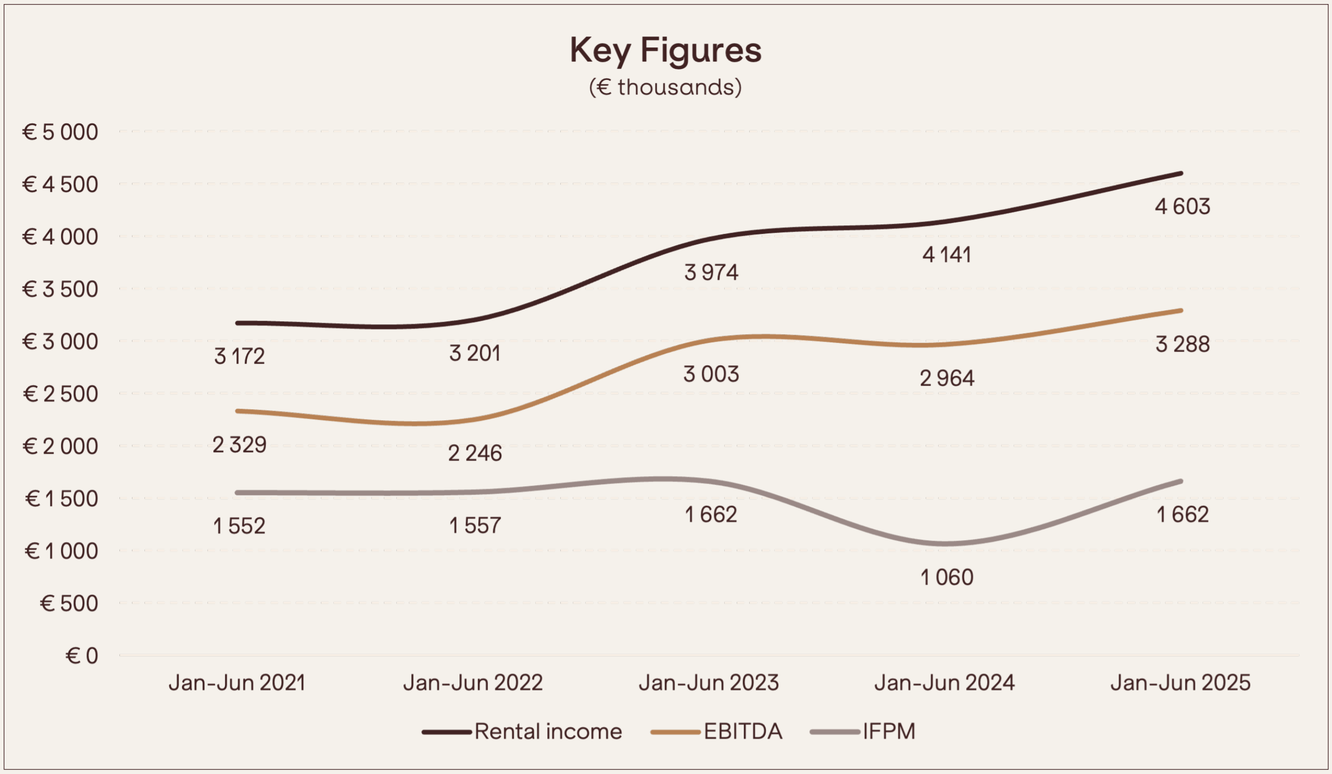
*The NAV return for 2024 has been adjusted to account for 2,007,848 new shares being issued in 2024 (at NOK 49 each), with the return KPI based on the operational return for 2024, excluding cash proceeds and the new issued shares. Of these shares, 1,781,398 were issued in the 2nd quarter of 2024 and 226,450 in the 3rd quarter.

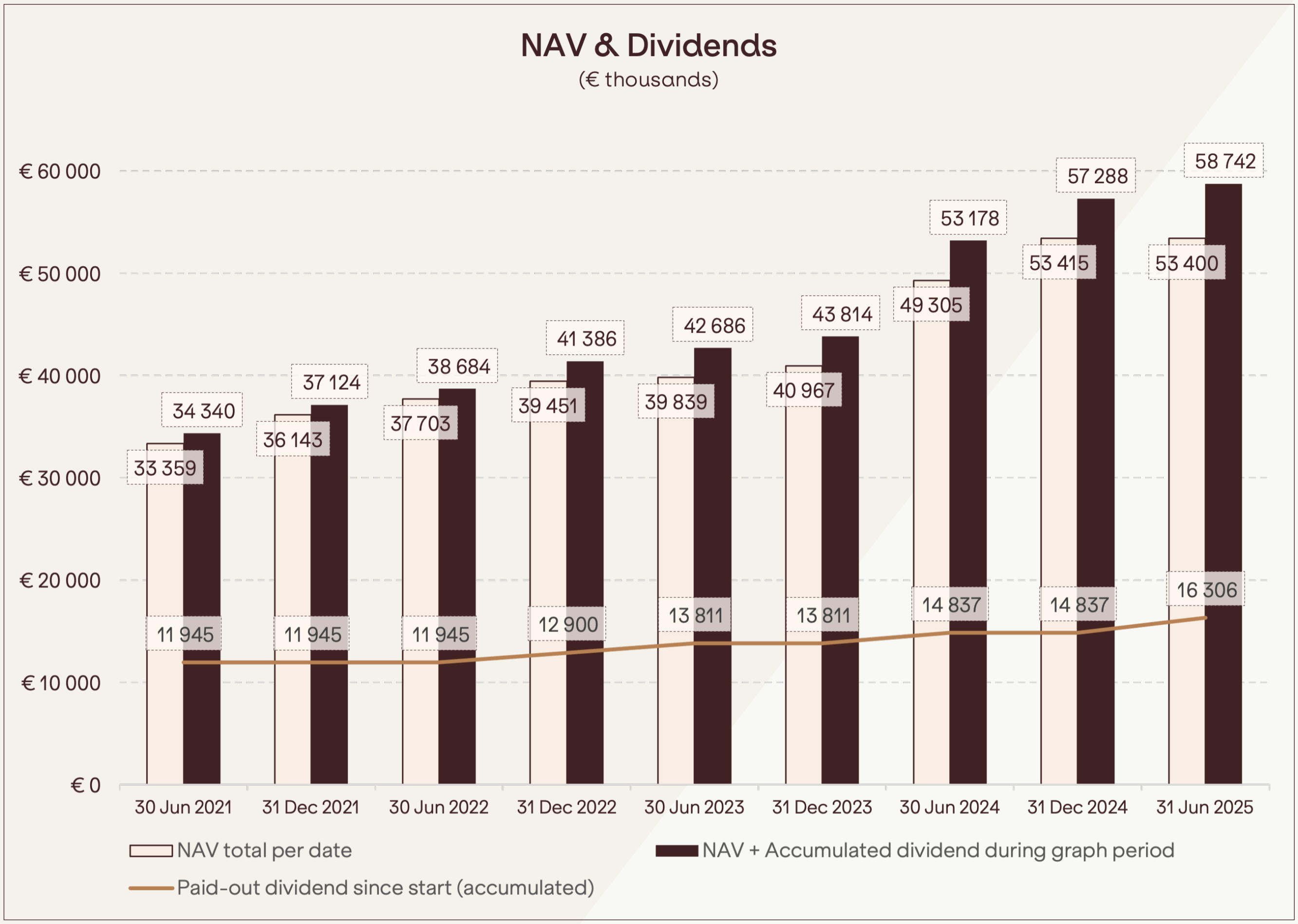
Group key figures	30 Jun 2025	31 Dec 2024	30 Jun 2024
Fair value of portfolio (MNOK)	1 358	1 316	1 184
Fair value of portfolio (MEUR)	114.7	111.6	103.9
Value of equity based on NAV - BSP method (MNOK)	632	630	562
Value of equity based on NAV - BSP method (MEUR)	53.4	53.4	49.3
Annualised contracted rent (MNOK)	111.4	105.1	102.2
Annualised contracted rent (MEUR)	9.4	9.0	8.9
Net income from property management (IFPM) (MNOK)	19.4	28.3	12.2
Net income from property management (IFPM) (MEUR)	1.7	2.4	1.1
NOI yield (investment projects)	8.03%	8.00%	8.01%
Dividend yield (NAV)	2.75%	2.39%*	2.44%*
Occupancy rate	100%	100%	100%
WAULT (years)	8.3 yrs	8.6 yrs	8.9 yrs
IBD (incl. mezzanine facility) (NOK)	735	702	640
IBD (incl. mezzanine facility) (EUR)	62.1	59.5	56.2
LTV investment portfolio (incl. mezzanine facility)	54.17%	53.32%	54.06%
Net LTV (inc. Cash)	46.69%	47.17%	46.99%
Interest coverage ratio (ICR) - Group	2.27	1.74	1.66
Interest coverage ratio (ICR) - SPV finance	2.78	2.27	2.14

EBITDA & IFPM	Jan - Jun 2025	Jan - Dec 2024	Jan - Jun 2024	Jan - Jun 2025	Jan - Dec 2024	Jan - Jun 2024
	EUR thousands	EUR thousands	EUR thousands	NOK thousands	NOK thousands	NOK thousands
Rental income	4 603	8 292	4 141	53 678	96 413	47 581
Property expenses ex mng	-206	-285	-132	-2 407	-3 314	-1 512
Net rent	**4 396**	**8 007**	**4 010**	**51 271**	**93 099**	**46 069**
Other operating income	28	67	38	327	785	436
Administration cost	-779	-1 501	-655	-9 085	-17 457	-7 521
Other operating cost	-357	-513	-429	-4 163	-5 966	-4 928
EBITDA	**3 288**	**6 060**	**2 964**	**38 349**	**70 461**	**34 055**
Net realised interest cost & finance expenses	-1 626	-3 624	-1 904	-18 964	-42 139	-21 874
IFPM	**1 662**	**2 436**	**1 060**	**19 385**	**28 322**	**12 181**
Changes in value of investment properties	515	3 554	1 165	6 001	41 323	13 385
Changes in value of financial instruments	-13	-41	-10	-147	-479	-119
Realised changes in value of investment properties	-	-	-	-	-	-
Depreciation, amortisation and impairment	-41	-60	-29	-472	-699	-332
Net currency exchange differences	-11	29	7	-125	341	84
Profit before tax	**2 113**	**5 918**	**2 193**	**24 641**	**68 808**	**25 200**
Current tax	-	54	-	-	626	-
Deferred tax	-770	-1 213	-577	-8 981	-14 108	-6 624
Profit from continued operations	**1 343**	**4 758**	**1 617**	**15 660**	**55 325**	**18 576**

Net Asset Value (NAV)	30 Jun 2025	31 Dec 2024	30 Jun 2024	30 Jun 2025	31 Dec 2024	30 Jun 2024
Currency	EUR thousands	EUR thousands	EUR thousands	NOK thousands	NOK thousands	NOK thousands
Equity as recognised in balance sheet	**52 076**	**52 170**	**48 282**	**616 293**	**615 340**	**550 244**
Pr share	5.99	6.01	5.71	70.92	70.83	65.03
Equity as recognised in balance sheet	52 076	52 170	48 282	616 293	615 340	550 244
Deferred tax according to balance sheet (-)	6 303	5 534	4 895	74 591	65 277	55 784
Equity excluding deferred tax	58 379	57 704	53 177	690 884	680 617	606 028
Deferred tax according to BSP orignal NAV definition (-)	4 979	4 289	3 872	58 923	50 589	44 127
Net asset value - BSP Method	**53 400**	**53 415**	**49 305**	**631 961**	**630 028**	**561 901**
Pr share	6.14	6.15	5.83	72.72	72.52	66.41

Figures per 30/06/2024 have been adjusted for the effect of the increase in corporate income tax rate's (16% since 1st of January 2025) effect on deferred tax liabilities.


Key Figures
(€ thousands)
€ 5 000
€ 4 500
€ 4 000
€ 3 500
€ 3 000
€ 2 500
€ 2 000
€ 1 500
€ 1 000
€ 500
€ 0
3 172
3 201
3 974
4 141
4 603
2 329
2 246
3 003
2 964
3 288
1 552
1 557
1 662
1 060
1 662
Jan-Jun 2021
Jan-Jun 2022
Jan-Jun 2023
Jan-Jun 2024
Jan-Jun 2025
Rental income
EBITDA
IFPM


NAV & Dividends
(€ thousands)
€ 60 000
€ 50 000
€ 40 000
€ 30 000
€ 20 000
€ 10 000
€ 0
34 340
37 124
38 684
41 386
42 686
43 814
53 178
57 288
58 742
33 359
36 143
37 703
39 451
39 839
40 967
49 305
53 415
53 400
11 945
11 945
11 945
12 900
13 811
13 811
14 837
14 837
16 306
30 Jun 2021
31 Dec 2021
30 Jun 2022
31 Dec 2022
30 Jun 2023
31 Dec 2023
30 Jun 2024
31 Dec 2024
31 Jun 2025
NAV total per date
NAV + Accumulated dividend during graph period
Paid-out dividend since start (accumulated)

Guide to Terms & Abbreviations

- **Average interest rate =** The average interest rate across the loan portfolio, including the impact of any derivatives.
- **EBITDA = Earnings Before Interest, Tax, Depreciation, and Amortisation:** A measure of a company's operational profitability.
- **EURIBOR = Euro Interbank Offered Rate:** The average interest rate at which major European banks lend to each other, commonly used as a benchmark for loans and financial contracts in Euros.
- **Fair value of portfolio =** Valuation of the real estate assets at market value.
- **IFPM = Income From Property Management:** Profit/loss before tax excluding depreciation, profit/loss or value movements on properties, realised investments, currency effects, and other financial instruments.
- **Interest Coverage Ratio = ICR – Group:** Group EBITDA divided by all interest paid; measures ability to cover interest obligations.
- **Interest Coverage Ratio = ICR – SPV finance:** Consolidated EBITDA of real estate subsidiaries divided by interest paid on real estate-specific financing.
- **IBD = Interest-Bearing Debt:** All outstanding debt to credit institutions and/or other credit facilities.
- **LTV = Loan-to-Value ratio:** A measure of financial leverage, calculated as total debt divided by the market value of the asset or portfolio.
- **M&A = Mergers & Acquisitions:** Business transactions involving the consolidation or transfer of companies or assets.
- **NAV = Net Asset Value:** The total value of a company's assets minus its liabilities, often used to represent the per-share value of a real estate or investment company.
- **Net rent =** Income from rental activity from the property portfolio minus all unrecovered property expenses (not including internal property management fees).
- **NOI = Net Operating Income:** Income from the property portfolio after operating expenses, including internal property management expenses.
- **NOI yield =** NOI divided by the market value of the investment portfolio, excluding development land (land bank); used to assess investment performance.
- **ROE = Return on Equity:** Profit for the period/year as a percentage of average equity; indicates how efficiently equity is being used.
- **Run rate =** Method of annualising current financial or operational figures by projecting existing numbers over a 12-month period, assuming the same performance continues
- **SPV = Special Purpose Vehicle:** A legal entity created for a specific, limited purpose
- **WAULT = Weighted Average Unexpired Lease Term**: The average remaining lease term of all tenants in a property or portfolio, weighted by rental income, used to assess income stability and risk.
- **YTD = Year to Date**: The period from 1st of January of a given year up to and including the reporting date.

Financing

30th June 2025 (Q2)

Debt & maturity	Amount (EUR)	Share	Base interest rate	Interest margin	Total interest rate	Total interest (EUR)
Senior debt - bank loans			*3m Euribor*	*Fixed*		*Annualised*
0-1 year						
1-3 years						
4-5 years	58 024 797	100.0 %	1.96 %	2.04 %	4.0 %	2 320 415
Hedging of senior debt						
0-1 year	905 281		0.72 %		-1.24 %	-11 225
Total senior debt	**58 024 797**					
Mezzanine debt[2]						
1-3 years	4 224 936	6.79 %			9.30%	392 919
Total debt	**62 249 733**	**100 %**			**4.34 %**	**2 702 109**

Notes
1) Run rate figures, i.e interest is annualised over a 12 month period assuming same EURIBOR and based on a snapshot as at 30/06/2025.
2) The principal of the mezzanine debt is MNOK 50.0. NOK amounts in the table are converted to EUR at exchange rate as at 30/06/2025.

Loan financing	30 Jun 2025	31 Dec 2024	30 Jun 2024
Interest-bearing debt incl. mezzanine debt (MEUR)	62.1	59.50	56.24
LTV incl. mezzanine debt[1]	54.17%	53.32%	54.12%
Interest-bearing debt excl. mezzanine debt (MEUR)	57.9	55.26	51.86
LTV excl. mezzanine debt[1]	50.47%	49.53%	49.90%
12-month running interest margin credit loans excl. mezzanine (margin)[2]	2.04%	2.18%	2.75%
Interest rate hedging ratio	0.00%	3.72%	3.91%
Interest rate coverage (ICR) — group	2.27	1.74	1.66
Interest rate coverage (ICR) — SPV finance[3]	2.78	2.27	2.14
Time until maturity interest-bearing debt (weighted)	5.0 yrs	2.4 yrs	2.91 yrs
Time until maturity interest hedging contracts (weighted)	0 yrs	0.3 yrs	0.8 yrs

Notes
1) LTV in this table does not include cash position.
2) Excl. 3-months EURIBOR & swap agreements.
3) Includes all internal management fees

(MEUR)	30 Jun 2025	31 Dec 2024	30 Jun 2024
Interest-bearing debt, total	62.14	59.50	56.18
Interest-bearing debt, bank loan	57.90	55.26	51.79
Interest-bearing debt, mezzanine	4.23	4.23	4.39
Interest-bearing debt, seller credit	0.00	0.00	0.00
Cash	8.58	6.87	7.35
Net LTV, total[1]	46.69%	47.17%	46.99%

1) Net LTV include cash position

BSP Group — ICR	Jan-Jun 2025	Jan-Dec 2024	Jan-Jun 2024
	EUR	EUR	EUR
EBITDA	**3 288 354**	**6 059 796**	**2 964 027**
Interest payable	1 448 193	3 481 225	1 782 429
ICR - group	**2.27**	**1.74**	**1.66**
Net realised interest cost & finance expenses			
Interest on real estate portfolio	1 271 882	3 136 481	1 621 542
SWAP costs	-1 203	-	1 830
SWAP income	-7 651	-92 546	-59 153
Interest mezzanine incl. contract fee	200 491	468 716	204 616
Interest seller's credit	-	27 706	27 285
Interest income	-15 327	-59 132	-13 691
Sum interest expenses	**1 448 193**	**3 481 225**	**1 782 428**

Consolidated SPV-financed entities — ICR	Jan-Jun 2025	Jan-Dec 2024	Jan-Jun 2024
	EUR	EUR	EUR
EBITDA (incl. internal management cost)	**3 585 447**	**6 711 761**	**3 354 257**
Interest payable	1 289 064	2 955 028	1 564 218
ICR - SPV finance	**2.78**	**2.27**	**2.14**
Net realised interest cost & finance expenses			
Interest on real estate portfolio	1 297 918	3 047 574	1 621 542
SWAP costs	-	-	1 830
SWAP income	-8 854	-92 546	-59 153
Sum interest expenses	**1 289 064**	**2 955 028**	**1 564 218**

Loan-to-Value ratio	30 Jun 2025	31 Dec 2024	30 Jun 2024
	EUR	EUR	EUR
Net nominal interest-bearing debt excl. mezzanine loan	57 900 748	55 262 258	51 793 958
Mezzanine	4 237 534	4 239 084	4 387 312
Seller's credit	-	-	-
Net nominal interest-bearing debt incl. mezzanine loan & seller's credit[1]	**62 138 282**	**59 501 342**	**56 181 270**
Valuation of real estate portfolio	114 717 855	111 582 984	103 926 041
Loan to value excl. cash	**54.17%**	**53.32%**	**54.06 %**
Cash	8 578 072	6 866 446	7 348 148
Loan to value incl. cash (Net LTV)	**46.69%**	**47.17%**	**46.99 %**

Notes
1) Interest-bearing debt per 31/12/2024 here includes MEUR 1.2 in construction cost which in the annual accounts are presented as debt to suppliers but will be financed with bank loan.

Responsibility Statement

First half of 2025

Risks and uncertainty factors

Baltic Sea Properties' risks and approach to risk management is thoroughly described in the annual report for 2024. The Annual Report 2024 can be downloaded from the company's website (https://balticsea.no/for-investors/#financial-reporting).

Outlook

The global economic environment remains marked by uncertainty, with persistent geopolitical risk and a slower-than-expected decline in inflation and interest rates continuing to influence financial markets. For Lithuania and the Baltic nations, the proximity to Russia and Belarus adds an additional layer of geopolitical tension.

Despite these challenges, Baltic Sea Properties has maintained resilient operations and solid financial performance. In the first half of 2025, we achieved further growth in rental income and EBITDA, supported by CPI adjustments, active asset management, and efficiency improvements. A dividend of NOK 2.00 per share was distributed in May, underlining the company's capacity to generate stable cash flow.

Construction activity at Liepų Parkas remains firmly on track. Building C was successfully handed over to ESO at the start of the year, while Building D is scheduled for delivery to Inchape Auto in January 2026. Construction of Building B has also commenced. In parallel, we have strengthened our long-term lease commitments, including through the amended expansion agreement with Rhenus Group in Vilnius, which extends their build option until 2027 and confirms their lease through 2040.

We remain disciplined in our approach to growth and continue to assess opportunities in line with our strategy while maintaining the financial flexibility to act when the right projects arise.

As we move through 2025, our focus remains on long-term value creation. This includes completing ongoing developments, maintaining dividend capacity, and reinforcing our ESG commitments. The Lithuanian market has once again demonstrated resilience, and with our strong balance sheet, long-term tenant relationships, and proven execution capacity, we are well positioned to navigate ongoing uncertainties and deliver sustainable value for our shareholders.

Responsibility statement

The undersigned declare that to the best of their knowledge, the condensed set of financial statements for Baltic Sea Properties AS for the period from 1st of January to 30th of June 2025 have been prepared in accordance with applicable accounting standards, and that the information in the accounts provides a true and fair view of the group's assets, liabilities, financial position, and overall result as of 30th of June 2025.

The undersigned further declare that to the best of their knowledge, this unaudited interim report for Baltic Sea Properties AS provides a true and fair overview of the development, results, and position of the group as of 30th of June 2025.

Oslo, the 28th of August 2025

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Board Member

John David Mosvold

Board Member

Bjørn Bjøro

Board Member

Consolidated statement of profit or loss

Amounts in NOK thousand

For the period	Jan-Jun 2025	Jan-Dec 2024	Jan-Jun 2024
	Unaudited		*Unaudited*
Rental income	53 678	96 413	47 581
Other income	327	785	436
Total operating income	**54 005**	**97 198**	**48 016**
Payroll and related costs	9 085	17 457	7 521
Depreciation, amortisation and impairment	472	699	332
Other operating expenses	6 571	9 280	6 440
Total operating expenses	**16 128**	**27 436**	**14 293**
Change in fair value of investment properties	**6 001**	**41 323**	**13 385**
Operating profit	**43 877**	**111 085**	**47 108**
Change in fair value of financial instruments	-147	-479	-119
Financial income	179	688	157
Financial expenses	-19 143	-42 827	-22 031
Net currency exchange differences	-125	341	84
Net financial income (cost)	**-19 236**	**-42 276**	**-21 908**
Profit before income tax	**24 641**	**68 809**	**25 200**
Income tax expense	-	-626	-
Change in deferred tax liability/asset	8 981	14 108	6 624
Profit for the period	**15 660**	**55 325**	**18 576**

Earnings per share	Jan-Jun 2025	Jan-Dec 2024	Jan-Jun 2024
Basic	2	6	2
Diluted	2	6	2

Profit is attributable to:	Jan-Jun 2025	Jan-Dec 2024	Jan-Jun 2024
Owners of Baltic Sea Properties group	15 660	55 325	18 576
Non-controlling interests	-	-	-

Consolidated statement of comprehensive income

Amounts in NOK thousand

For the period	Jan-Jun 2025	Jan-Dec 2024	Jan-Jun 2024
	Unaudited		*Unaudited*
Profit for the period	**15 660**	**55 325**	**18 576**
Other comprehensive income not to be reclassified to profit and loss			
Foreign currency translation differences	2 546	26 202	7 382
	2 546	**26 202**	**7 382**
Total comprehensive income for the period	**18 206**	**81 528**	**25 960**
Total comprehensive income is attributable to:			
- Owners of Baltic Sea Properties group	18 206	81 528	25 960
- Non-controlling interests	-	-	-
	18 206	**81 528**	**25 960**

Figures per 30/06/2024 have been adjusted for the effect of the increase in corporate income tax rate's (16% since 1st of January 2025) effect on deferred tax liabilities.

Consolidated statement of financial position

Amounts in NOK thousand

For the period that ended on	31 Jun 2025	31 Dec 2024	30 Jun 2024
	Unaudited		*Unaudited*
Assets			
Investment property	1 387 180	1 345 746	1 213 182
Other operating assets	1 385	1 654	1 941
Right-of-use assets	-	-	54
Financial derivatives, non-current	-	-	317
Long-term receivables	2 518	2 509	2 425
Total non-current assets	**1 391 083**	**1 349 911**	**1 217 919**
Trade receivables	5 663	3 271	3 510
Financial derivatives, current	23	171	202
Other receivables and other current assets	1 277	2 087	3 132
Cash and cash equivalents	101 517	80 990	83 744
Total current assets	**108 480**	**86 519**	**90 587**
Investment property held for sale	**-**	**-**	**-**
Total assets	**1 499 563**	**1 436 429**	**1 308 506**

Consolidated statement of financial position

Amounts in NOK thousand

For the period that ended on	31 Jun 2025	31 Dec 2024	30 Jun 2024
	Unaudited		*Unaudited*
Equity			
Share capital	870	870	847
Share premium	214 031	214 031	204 539
Other paid-in equity	-1	-1	-1
Total paid-in equity	**214 900**	**214 900**	**205 385**
Retained earnings	401 393	400 440	344 859
Total equity	**616 293**	**615 340**	**550 244**
Liabilities			
Deferred tax liabilities	74 591	65 277	55 784
Interest-bearing liabilities	721 323	657 058	626 300
Lease liabilities, non-current	30 773	30 381	29 738
Total non-current liabilities	**826 687**	**752 715**	**711 822**
Lease liabilities, current	103	103	153
Interest-bearing liabilities, current	14 053	30 433	14 718
Trade payables	27 311	14 171	17 481
Other current liabilities	15 116	23 665	-
Total current liabilities	**56 583**	**68 372**	**46 439**
Total equity and liabilities	**1 499 563**	**1 436 429**	**1 308 506**

Figures per 30/06/2024 have been adjusted for the effect of the increase in corporate income tax rate's (16% since 1st of January 2025) effect on deferred tax liabilities.

Disclaimer:

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Consolidated statement of changes in equity

Amounts in NOK thousand

	Attributable to owners of Baltic Sea Properties AS						
	Share capital	Share premium reserve	Other paid-in equity	Retained earnings	Total	Non-controlling interests	Total equity
Equity at 1 January 2024	**669**	**118 788**	**-1**	**330 605**	**450 061**	**-**	**450 061**
Net profit for the period	-	-	-	55 325	55 325	-	55 325
Capital increase	201	95 243	-	-	95 444	-	95 444
Share based payments	-	-	-	-	-	-	-
Other comprehensive income for the period	-	-	-	26 202	26 202	-	26 202
Total comprehensive income in the period	**201**	**95 243**	**-**	**81 527**	**81 527**	**-**	**81 527**
Transactions with owners of the company:	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Transactions with non-controlling interests	-	-	-	-	-	-	-
Dividends paid	-	-	-	-11 692	-11 692	-	-11 692
Equity at 31 December 2024	**870**	**214 031**	**-1**	**400 440**	**519 896**	**-**	**615 341**

	Share capital	Share premium reserve	Other paid-in equity	Retained earnings	Total	Non-controlling interests	Total equity
Equity at 1 January 2025	**870**	**214 031**	**-1**	**400 440**	**615 340**	**-**	**615 340**
Net profit for the period	-	-	-	15 660	15 660	-	15 660
Capital increase	-	-	-	-	-	-	-
Share based payments	-	-	-	130	130	-	130
Other comprehensive income for the period	-	-	-	2 546	2 546	-	2 546
Total comprehensive income in the period	**-**	**-**	**-**	**18 206**	**18 206**	**-**	**18 206**
Transactions with owners of the company:	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Transactions with non-controlling interests	-	-	-	-	-	-	-
Dividends paid	-	-	-	-17 384	-17 384	-	-17 384
Equity at 30 June 2025	**870**	**214 031**	**-1**	**401 393**	**616 293**	**-**	**616 293**

Consolidated statement of cash flows

Amounts in NOK thousand

	Jan-Jun 2025	Jan-Dec 2024	Jan-Jun 2024
Profit for the period before tax	**24 641**	**68 808**	**25 200**
Adjustments for:			
Paid taxes	129	835	-
Changes in value of investment properties	-6 001	-41 323	-13 385
Depreciation, amortisation and impairment	472	699	334
Changes in fair value of derivatives	147	479	119
Financial income	-179	-688	-157
Financial expenses	19 268	42 827	22 031
Changes in trade recievables & payables	11 812	11 684	14 468
Changes in other accruals	-7 900	-1 016	-1 532
Taxes paid (net)	-	-	-
Net cash flows from operating activities	**42 391**	**82 306**	**47 053**
Proceeds from property transactions	-	-	-
Investments in investment property	-30 815	-93 164	-31 471
Investments in property, plant and equipment	-220	-3 059	-2 805
Interest received	179	688	157
Net cash flows from investing activities	**-30 857**	**-95 535**	**-34 119**
Proceeds from interest-bearing debt	48 422	42 204	-
Repayment of interest-bearing debt	-2 338	-38 328	-22 479
Repayments of lease liabilities	0	-1 055	-269
Dividens paid to company's shareholders	-17 384	-11 692	-11 704
Capital increase	130	95 444	85 929
Interest paid	-19 354	-35 410	-21 194
Net cash flows from financing activities	**9 476**	**51 162**	**30 282**
Net change in cash and cash equivalents	**21 010**	**37 933**	**43 216**
Effects of foreign exchange on cash and cash equivalents	-483	2 169	-360
Cash and cash equivalents at the beginning of the period	80 989	40 888	40 888
Cash and cash equivalents at the end of the period	**101 517**	**80 990**	**83 744**

Market Update

Provided by Kristina Živatkauskaitė and Mindaugas Kulbokas at Newsec Baltics (25 August 2025)

Steady Economic Growth

Lithuania entered 2025 in its strongest economic and investment market position in three years, setting a cautiously optimistic tone as the country moves toward 2026. The economy outperformed expectations in 2024, with GDP expanding by 2.7%, driven by resilient domestic demand and a gradual rebound in export activity. Growth gained further pace in the first half of 2025, reaching 3.2% year-on-year, and full-year GDP is now projected at 2.8%, supported by improving consumer confidence and a stabilising external environment.

Inflation averaged just 0.9% in 2024 – the lowest level since before the pandemic – as energy costs stabilised and food price growth slowed. However, with wage pressures persisting and domestic demand strengthening, inflation is forecast to rise to 3.3% in 2025. The ECB now signals that the deposit rate will remain at 2.0% through 2026, and combined with falling long-term bond yields, this policy stability is helping to support financing conditions.

The labour market remains stable, with unemployment close to 7%. While wage growth has started to ease, it is still elevated at around 9% year-on-year, sustaining household purchasing power and underpinning retail and residential demand.

A Selective Investment Market

The investment market strengthened notably in 2024. Transaction volumes in Lithuania reached EUR 150 million, compared with EUR 500 million across the Baltics, giving the country a 30% regional share – slightly below the five-year average of around 40%. Activity accelerated sharply in early 2025: in the first half of the year, Lithuanian investment volumes climbed to EUR 180 million, almost three times higher than in the same period of 2024 (EUR 60 million), and accounted for nearly 70% of all Baltic transactions.

Domestic Baltic capital continues to anchor market activity, compensating for subdued foreign participation. Large-scale transactions remain scarce, yet yields across most prime segments stabilized in the second half of 2024 and have held steady into 2025, signaling a gradual narrowing of the pricing gap between buyers and sellers. Stable interest rates and reduced market volatility have further supported sentiment, though investors remain selective. Capital is predominantly directed toward well-located, ESG-compliant assets with secure income streams, while secondary properties or those requiring substantial repositioning continue to face prolonged marketing periods. Looking ahead to 2026, a gradual and selective re-engagement of foreign investors, combined with steady domestic demand, could create conditions for modest yield compression in the strongest core segments.

Retail Segment Leads 2025 Investment Activity

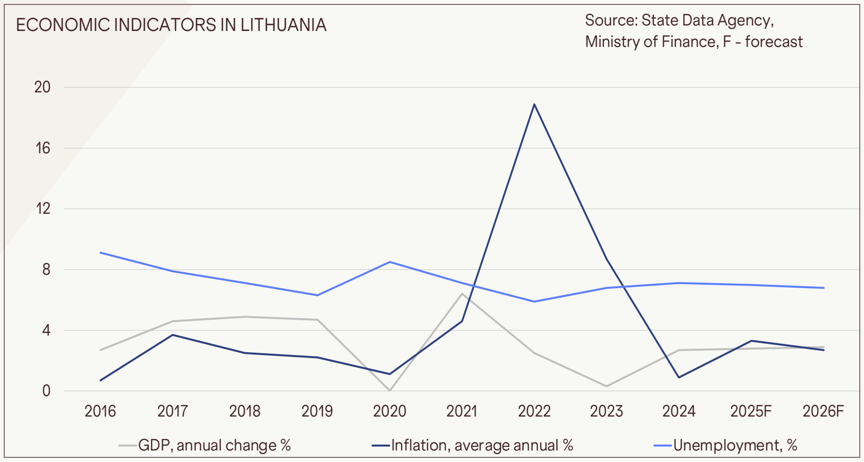
In early 2025, retail assets have emerged as the dominant force in Lithuania's investment market, overtaking the office sector's long-standing lead. Several significant retail park and shopping centre transactions closed in the first half of the year, together representing the largest share of investment volumes. Confidence in the segment is underpinned by robust consumer spending, driven by steady wage growth and low unemployment. Investors remain most active in established schemes with strong footfall and stable anchor tenants, yet interest is also extending to well-performing retail parks in regional cities where catchment areas and tenant performance are proven. This shift reflects a broader recognition of retail's resilience in the current economic climate and its capacity to deliver stable income streams.

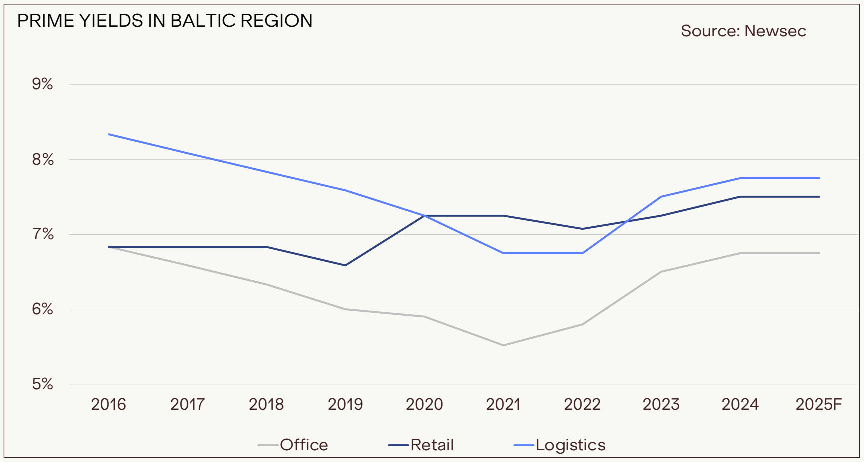
Logistics Development Focused on Occupier-Led Projects

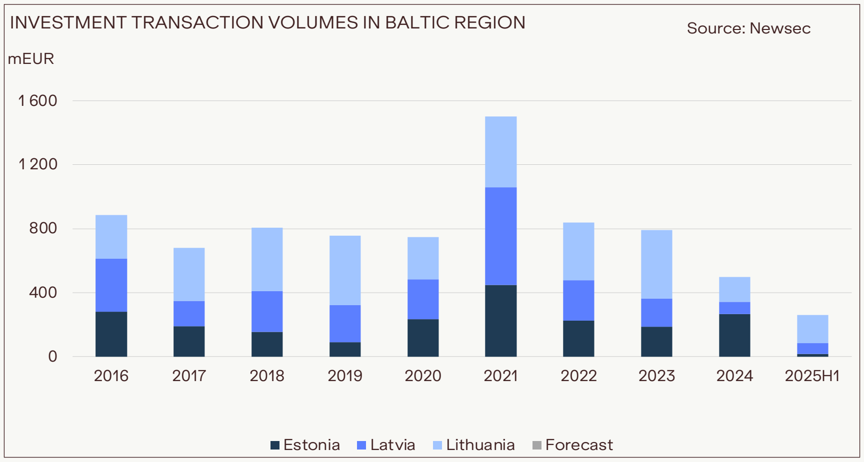
The logistics and industrial sector in Lithuania continues to grow, but new development is increasingly driven by specific occupier requirements rather than speculative building. Built-to-suit and pre-let projects dominate the pipeline, with speculative activity limited to select prime locations where demand visibility is high. Modern, energy-efficient warehouses remain in strong demand, particularly those offering high ceiling clearance, advanced automation potential, and favourable access to transport corridors. In contrast, older facilities are taking longer to lease unless they undergo significant upgrades. Sustainability has become a decisive factor in both tenant selection and investment underwriting, especially among institutional buyers, with green certifications and lower operating costs often tipping competitive leasing decisions.

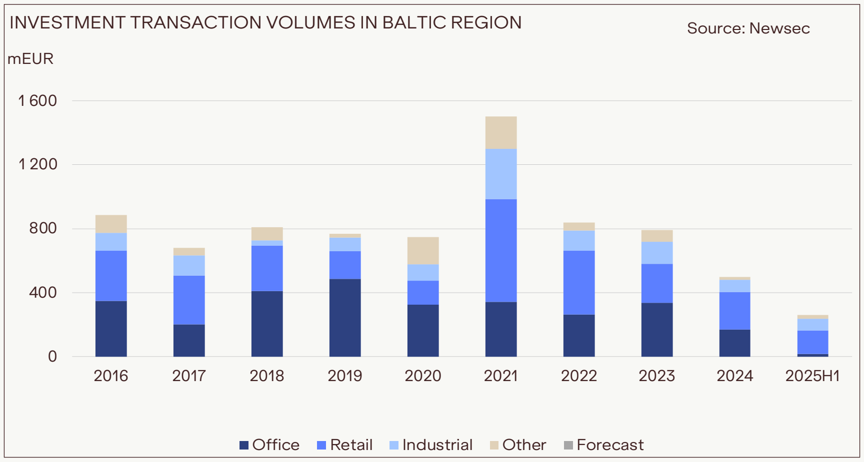
Office Market Development Through Diversified Demand

The Vilnius office market has shown resilience in 2025, with vacancy levels holding steady despite modest additions to supply. Demand is supported by a diverse tenant base, ranging from global business services and IT to fintech companies and established local corporates. While headline-grabbing large transactions remain limited, steady leasing activity is evident in the small and mid-size segment, particularly for flexible space that accommodates hybrid work patterns. Landlords are increasingly investing in reconfiguring layouts and enhancing amenities to attract and retain tenants, while interest in refurbishing well-located older stock is growing, driven by the need to meet modern workplace standards and comply with ESG requirements.


ECONOMIC INDICATORS IN LITHUANIA
Source: State Data Agency, Ministry of Finance, F - forecast
20
16
12
8
4
0
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025F
2026F
GDP, annual change %
Inflation, average annual %
Unemployment, %


PRIME YIELDS IN BALTIC REGION
Source: Newsec
9%
8%
7%
6%
5%
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025F
Office
Retail
Logistics


INVESTMENT TRANSACTION VOLUMES IN BALTIC REGION
Source: Newsec
mEUR
1 600
1 200
800
400
0
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025H1
Estonia
Latvia
Lithuania
Forecast


INVESTMENT TRANSACTION VOLUMES IN BALTIC REGION
Source: Newsec
mEUR
1 600
1 200
800
400
0
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025H1
Office
Retail
Industrial
Other
Forecast

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Appendices

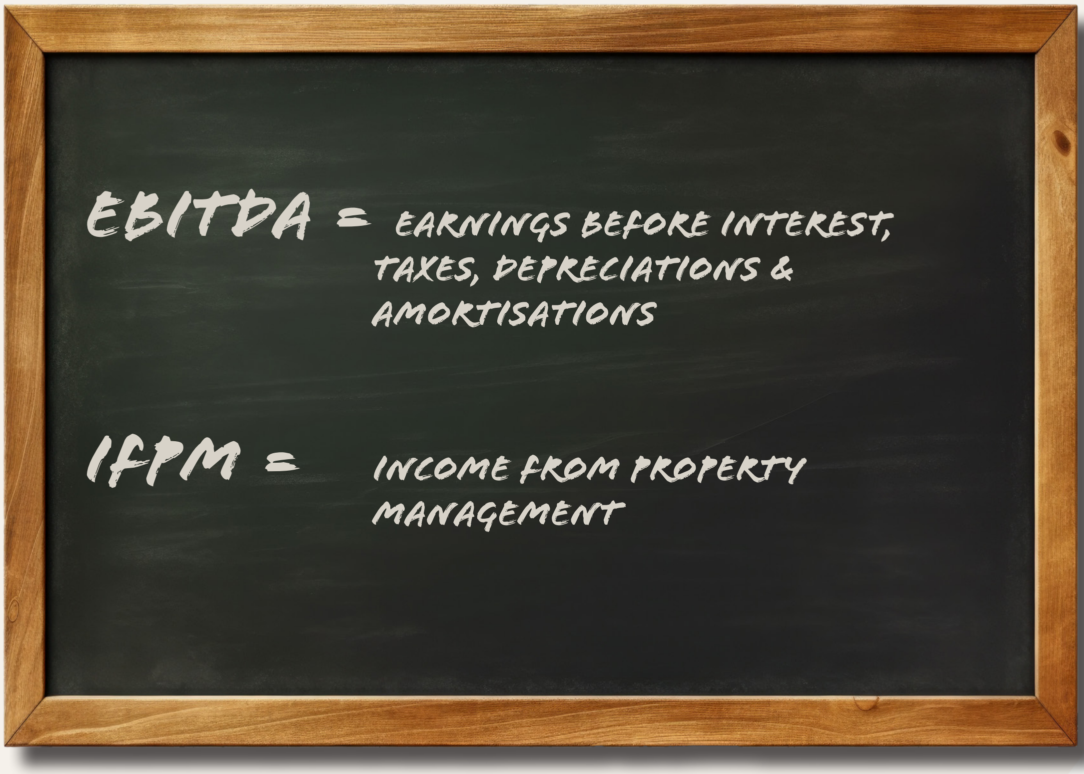
1) Reconciliation of APM's*

* Alternative Performance Measures

- IFPM & EBITDA
- Loan-to-Value ratio (LTV)
- Net Asset Value (NAV)
- Interest Coverage Ratio (ICR)

IFPM & EBITDA

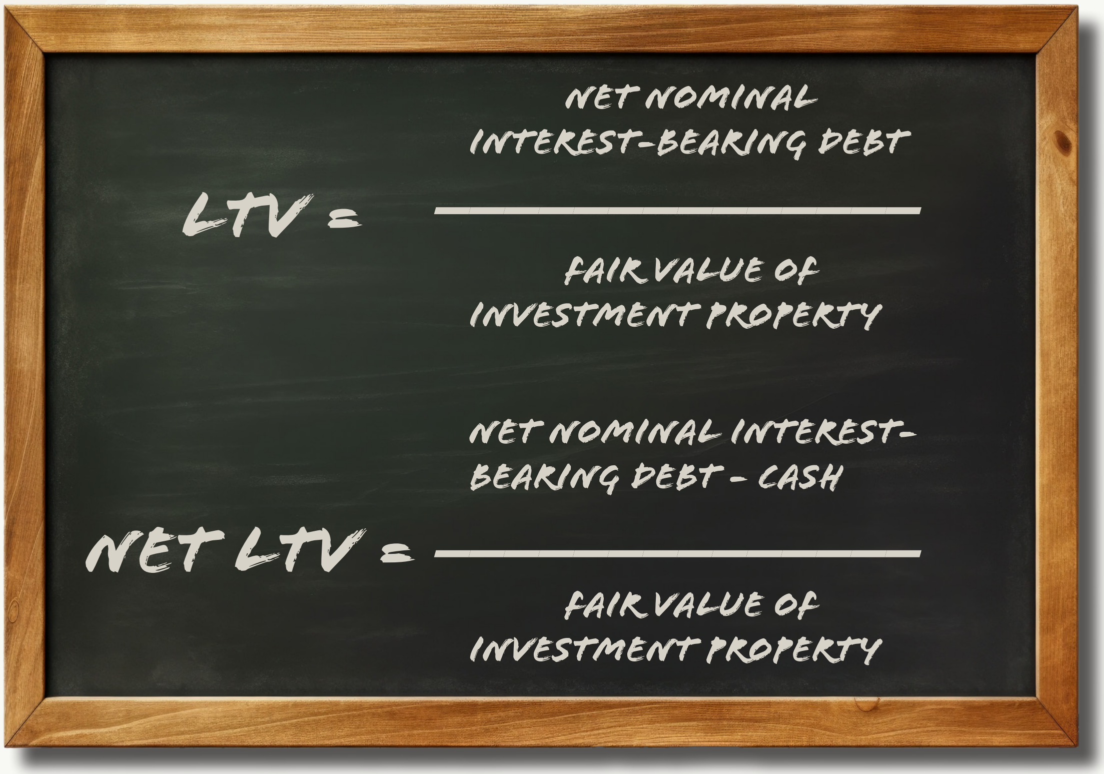
Reconciliation



Reconciliation with IFRS figures				
(TNOK)	Jan-Jun 2025	Jan-Dec 2024	Jan-Jun 2024	Source
Rental income	53 678	96 413	47 581	Consolidated Profit/Loss Statement
Other income	327	785	436	Consolidated Profit/Loss Statement
Payroll and related costs	-9 085	-17 457	-7 521	Consolidated Profit/Loss Statement
Other operating expenses	-6 571	-9 280	-6 440	Consolidated Profit/Loss Statement
EBITDA	**38 349**	**70 461**	**34 056**	
Financial income	179	688	157	Consolidated Profit/Loss Statement
Financial expenses	-19 143	-42 827	-22 031	Consolidated Profit/Loss Statement
IFPM	**19 385**	**28 322**	**12 182**	

Loan-to-Value ratio (LTV)

Reconciliation

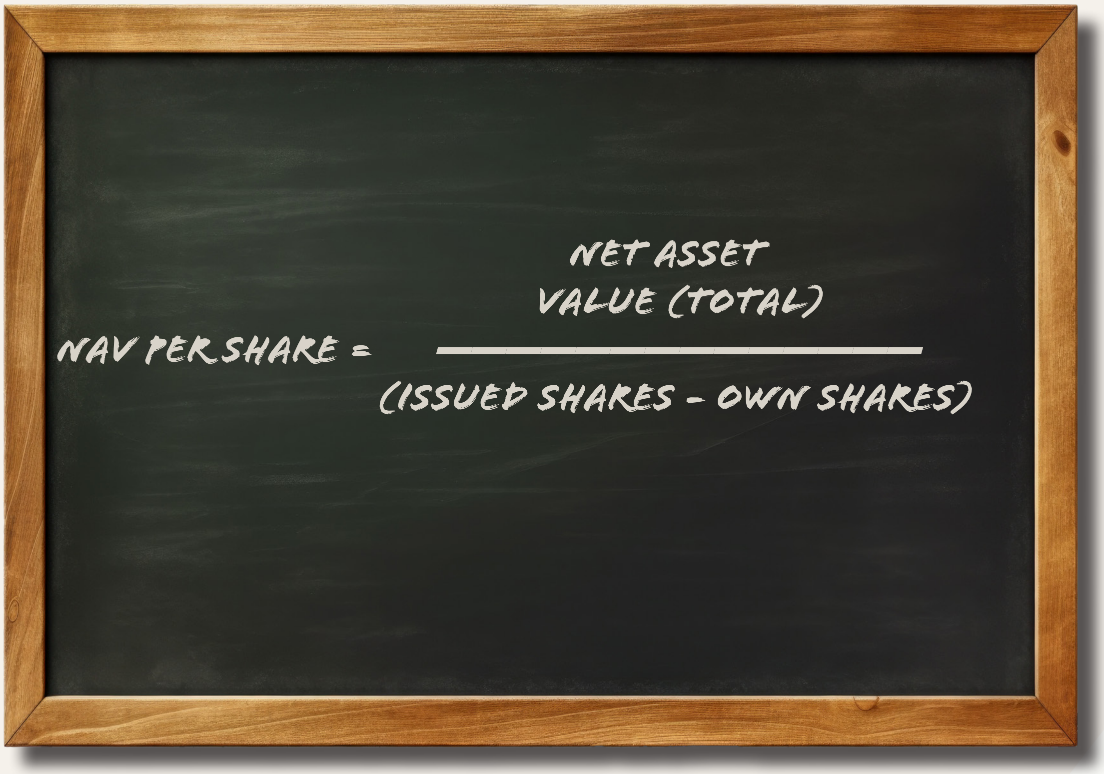


Reconciliation with IFRS figures				
(TNOK)	30 Jun 2025	31 Dec 2024	31 Jun 2024	Source
Interest-bearing liabilities (non-current)	721 323	657 058	626 300	Consolidated statement of financial position
Interest-bearing liabilities (current)	14 053	30 433	14 718	Consolidated statement of financial position
Other adjustments[1]	-	14 327	-748	Internal calculation
Net nominal interest-bearing debt	**735 375**	**701 818**	**640 270**	
Cash	101 517	80 990	83 744	Consolidated statement of financial position
Net nominal interest-bearing debt - Cash	**633 858**	**620 829**	**556 526**	
Investment property	1 387 180	1 345 746	1 213 182	Consolidated statement of financial position
- IFRS adjustments (periodisation & amortisation)	-29 552	-29 624	-28 789	Internal calculation / Note 4 of annual report
Fair value of investment property	**1 357 628**	**1 316 121**	**1 184 393**	
LTV	**54.17%**	**53.32%**	**54.06%**	
Net LTV	**46.69%**	**47.17%**	**46.99%**	

[1] Interest-bearing debt per 31.12.2024 here includes MEUR 1.2 in construction cost which in the annual accounts are presented as debt to suppliers but will be financed with bank loan.

Net Asset Value (NAV)

Reconciliation



Reconciliation with IFRS figures	30 Jun 2025	31 Dec 2024	30 Jun 2024	Source
Total equity (TNOK)	616 293	615 340	550 244	Consolidated statement of financial position
+ Deferred tax liabilities (TNOK)	74 591	65 277	55 784	Consolidated statement of financial position
- Deferred tax according to BSP original NAV definition (TNOK)	-58 923	-50 589	-44 127	(See description on cited page)
Net Asset Value (TNOK)	**631 961**	**630 028**	**561 901**	
Number of issued shares (excl. own shares)	8 690 312	8 687 466	8 461 015	VPS
NAV per share	**72.72**	**72.52**	**66.41**	

In late June 2024, the company issued 1,781,394 new shares in a direct share issue at NOK 49 per share. Additionally, in July, BSP issued another 226,450 shares in a repair issue. Due to the lower subscription price of the newly issued shares compared to the existing NAV per share, the NAV per share has been diluted.

Figures per 30/06/2024 have been adjusted for the effect of the increase in corporate income tax rate's (16% since 1st of January 2025) effect on deferred tax liabilities.

Interest Coverage Ratio (ICR)

Reconciliation

Reconciliation with IFRS figures				
(TNOK)	Jan-Jun 2025	Jan-Dec 2024	Jan-Jun 2024	Source
EBITDA (Group)	**38 349**	**70 461**	**34 055**	Own calculaltions
Interest income	-179	-688	-156	
Interest expenses payable (incl. hedge effect)	17 067	41 166	20 636	
Net interest expenses	**16 889**	**40 478**	**20 479**	
ICR (Group)	**2.27**	**1.74**	**1.66**	

Disclaimer

This report has been prepared by Baltic Sea Properties AS in good faith and to our best ability with the purpose to give the company's shareholders updated information about the company's operations and status. This document must not be understood as an offer or encouragement to invest in the company. The financial figures presented are unadited and may thus include discrepancies. Baltic Sea Properties AS further makes reservations that errors may have occurred in its calculations of key figures or in the development of the report which may contribute to an inaccurate impression of the company's status and/or operations. The report may also include descriptions and comments which are based on subjective assumptions and considerations, and thus must not be understood as a guarantee of future events or future profits.