BALTIC SEA PROPERTIES

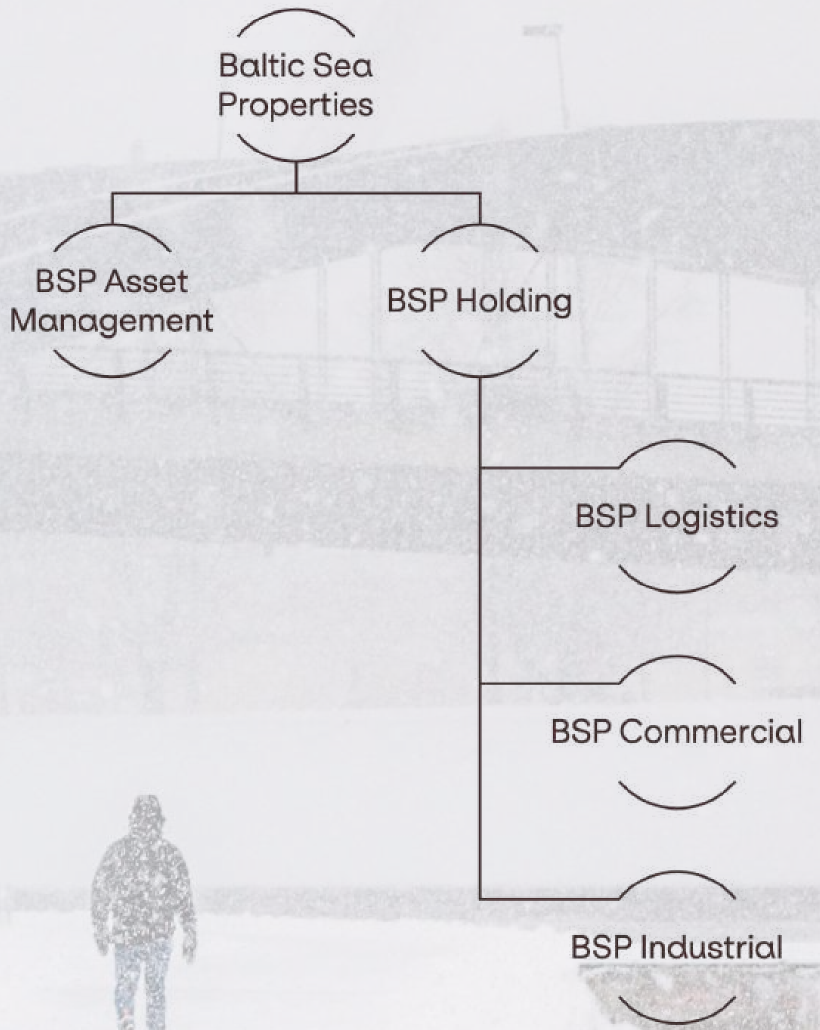
Quarterly report - Q4 2024

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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Our Vision

Our vision is to be the preferred real estate partner and leading investment company in the region.

We will achieve this by staying true to our mission and values.

Our Mission

Our mission is to foster a great team, to provide high quality and sustainable solutions for our partners, thus creating superior long-term value and returns for our shareholders.

Our Values

- **Commitment** to our people and their professional development.
- Focusing on **innovation and value creation.**
- **Respect** for our social and physical environment.
- **Accountability and fairness** with our stakeholders.
- **Reliability and integrity** in all we do

Highlights

2024

Sustained growth and strategic execution

We are pleased to present our Q4 report, marking the completion of another year of strong financial performance, operational resilience, and execution according to our long-term growth strategy. Despite ongoing market uncertainties, we have maintained a solid financial position while staying committed to continue our strategy of growing a diversified portfolio of high-quality assets.

One of the year's key milestones was the completion of the first stage of Liepų Parkas, delivered on schedule to ESO (Ignitis) in January 2025. Meanwhile, we strengthened our capital position, maintained stable dividends, and received industry recognition for our performance.

Key metrics and highlights

- **Completion of 1st stage of Liepų Parkas** – The 4,340 m² office and warehouse development for ESO (Ignitis) was completed on time and on budget, with handover taking place in January 2025.
- **Strong capital position** – Successfully raised mNOK 98.4 through a direct placement and subsequent repair issue, reinforcing financial flexibility for future developments.
- **Dividend distribution** – Paid NOK 1.75 per share in dividends to shareholders, maintaining a stable and attractive return.
- **Continued recognition** – Awarded 1st place in the "Strongest Brand Baltics Developers – Logistics" category at the European Real Estate Brand Awards.
- **Development pipeline expansion** – We continue to work hard on building a strong development pipeline, including several exciting prospects within our new business and retail park, Liepų Parkas.
- **Financial performance** – Rental income, EBITDA, NAV, and LTV remain in line with expectations, reflecting continued financial resilience.
- **Achieved BREEAM In-Use 'Excellent' certification** for our two DPD terminals, reinforcing our commitment to sustainable building standards and energy-efficient operations.

Liepų Parkas | Concept visualisations

Liepų Parkas | First stage after handover, January 2025

Market Update

Provided by Kristina Živatkauskaitė and Mindaugas Kulbokas at Newsec Baltics (10 February 2025)

Economic Growth and Market Shifts

Lithuania's economy in 2024 showed resilience, growing at 2.7%, primarily supported by stronger performance in manufacturing industry, wholesale and retail trade, and the ICT sectors. Positive contributions from construction enterprises also bolstered economic resilience. Inflation dropped below 1% primarily due to decreasing energy and food prices. Unemployment stabilized at 7% and started to decline faster in the last quarter of the year. This stability is attributed to a recovering labor market and sustained economic growth. Projections for 2025 suggest close to 3% GDP growth, driven by growth of industrial companies and domestic consumption.

The Investment Market

In the real estate sector, Lithuania accounted for approximately one-third of the total Baltic real estate investment market by the end of 2024. The total investment volume in Lithuania reached EUR 155 million, while the Baltic region as a whole saw approximately EUR 500 million in transactions, marking a 37% year-on-year decline. The retail segment was in the leading position, investments in the Baltic countries reached close to 240 mEUR or half of total investments during 2024, reflecting the same trend in Lithuania. Despite a less active fourth quarter, the market showed signs of recovery and higher activity in the beginning of 2025. Despite these challenges, investors have the opportunity to capitalize on upside potential in a difficult and less active market. By leveraging market data, they can position themselves to secure higher-than-average returns. The outlook for 2025 remains optimistic, with expectations of continued economic growth and a revitalized real estate market.

The Residential Market Development

The residential real estate market in Lithuania demonstrated recovery in 2024, fueled by stronger demand and lower interest rates. In Vilnius, secondary apartment transactions were only 3% lower than the previous year, while the primary market experienced an impressive 42% increase in activity. This growth was particularly evident in the third and fourth quarters, with transactions surging by 88%.

Pre-sales activity in the primary market was especially robust during the final months of the year, reflecting heightened market confidence. By the end of the year, total primary market sales in the city reached 3,400 units.

The European Central Bank's interest rate cuts played a critical role in reviving market activity by easing borrowing costs for potential buyers. This policy shift encouraged those who had previously been hesitant to commit to purchases, leading to a surge in transactions. Expectations of further rate cuts in the first half of 2025 are likely to sustain and even amplify this momentum, positioning the residential market for continued growth in the coming year.

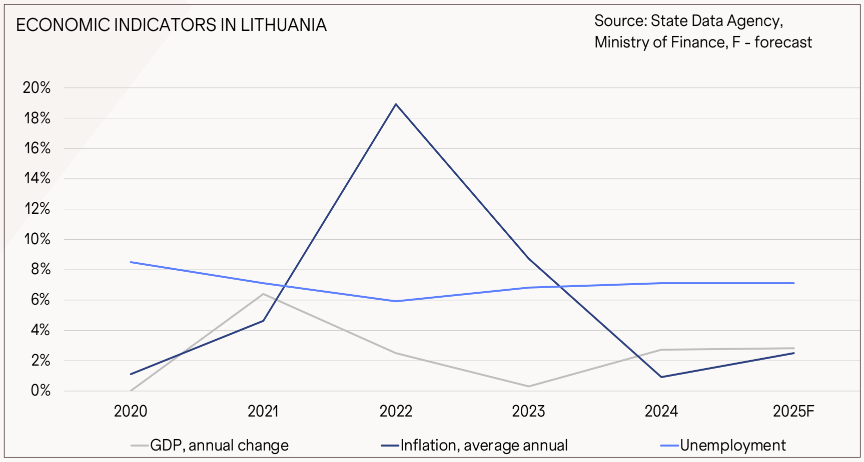
The Imbalance Between Office Supply and Demand Creates Market Tension

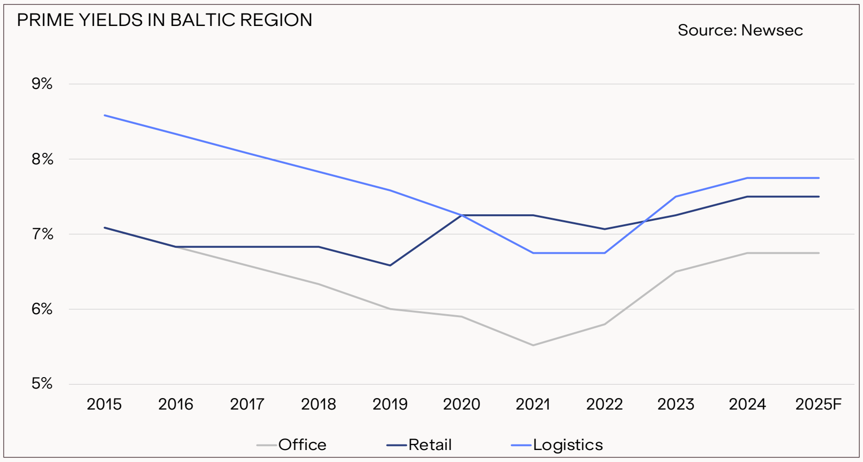
In the latter part of 2024, the office vacancy rate in Vilnius remained steady, staying close to the previous year's level. Class A office spaces saw an improvement, with fewer vacancies as demand for premium spaces grew. In contrast, vacancies in class B offices increased, surpassing 10% for the first time since mid-2022. During the second half year, only one new speculative project was completed, adding a moderate amount of office space for the year. Looking ahead, a significant amount of new office space is expected next year, with most of it concentrated in the Central Business District, signaling a continuous developer interest in this prime location.

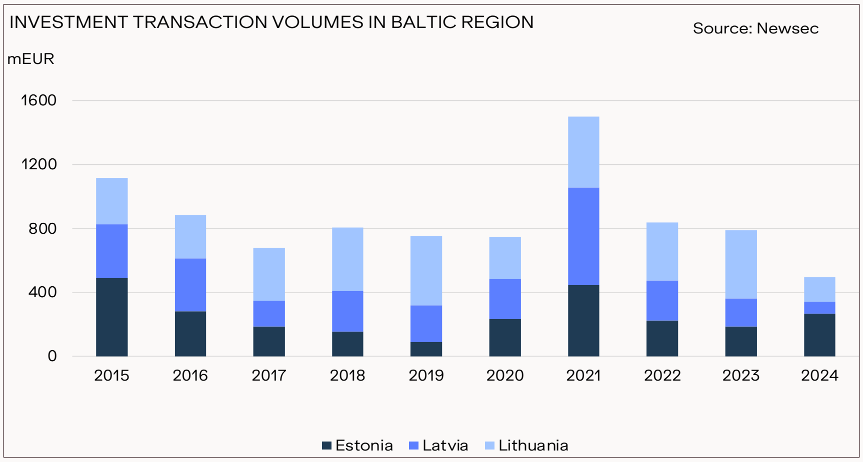
Office space take-up in the final quarter of 2024 was notably high, pushing the annual total well above the previous year's level. The strong demand was driven by an unexpected surge in pre-lease agreements and quick turnover of available spaces in the secondary market. However, the rate of office take-up relative to total supply has declined in recent years. This, combined with an expanding office market, suggests that supply may be outpacing demand, hinting at a potential slowdown ahead. In 2024, limited new supply provided landlords with a relatively stable environment. However, 2025 is expected to see the largest new supply growth in five years, intensifying competition for both owners of older buildings and developers of new projects. Slow growth in the startup segment workforce and a lack of foreign tenants have created challenges for all market players. The absorption of 2025's new supply is anticipated to extend into 2026, while projects not yet initiated are expected to face delays of at least two years.

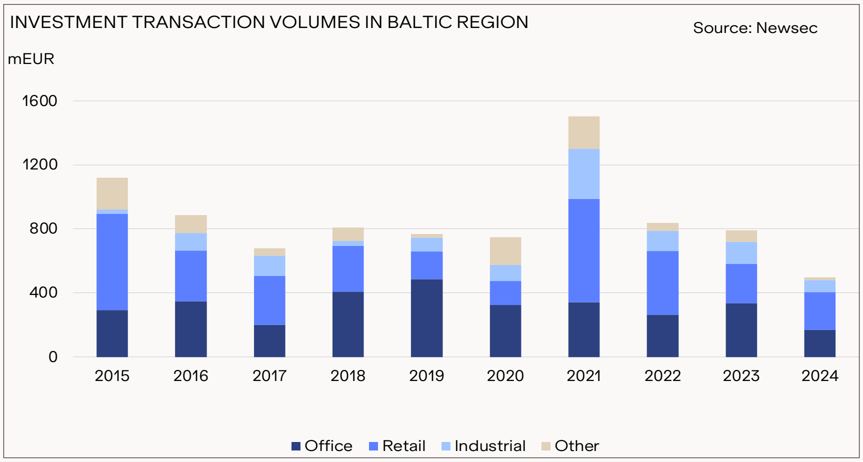
The Logistics Market

The logistics and industrial real estate sector in Lithuania experienced a period of adjustment in 2024, marked by a temporary downturn in demand. The ongoing construction activity remained strong with over 300,000 sqm in development across all key regions last year. Despite short-term challenges, investment in mixed-use projects—combining office, retail, and industrial-warehouse spaces—continued, reflecting developer confidence in long-term market potential. A key trend throughout the year was the rising vacancy rate in older warehouse properties, driven by a growing preference for modern, efficient facilities. As businesses optimize operations, demand has gradually shifted toward newer developments. Looking ahead, a moderate recovery is expected in late 2024 or early 2025, supported by improving economic conditions and seasonal market dynamics. While near-term uncertainty remains, continued investment and strategic development indicate a positive long-term outlook for the sector.


ECONOMIC INDICATORS IN LITHUANIA
Source: State Data Agency, Ministry of Finance, F - forecast
20%
18%
16%
14%
12%
10%
8%
6%
4%
2%
0%
2020
2021
2022
2023
2024
2025F
GDP, annual change
Inflation, average annual
Unemployment


PRIME YIELDS IN BALTIC REGION
Source: Newsec
9%
8%
7%
6%
5%
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025F
Office
Retail
Logistics


INVESTMENT TRANSACTION VOLUMES IN BALTIC REGION
Source: Newsec
mEUR
1600
1200
800
400
0
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
Estonia
Latvia
Lithuania


INVESTMENT TRANSACTION VOLUMES IN BALTIC REGION
Source: Newsec
mEUR
1600
1200
800
400
0
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
Office
Retail
Industrial
Other

Financial overview

Q4 2024

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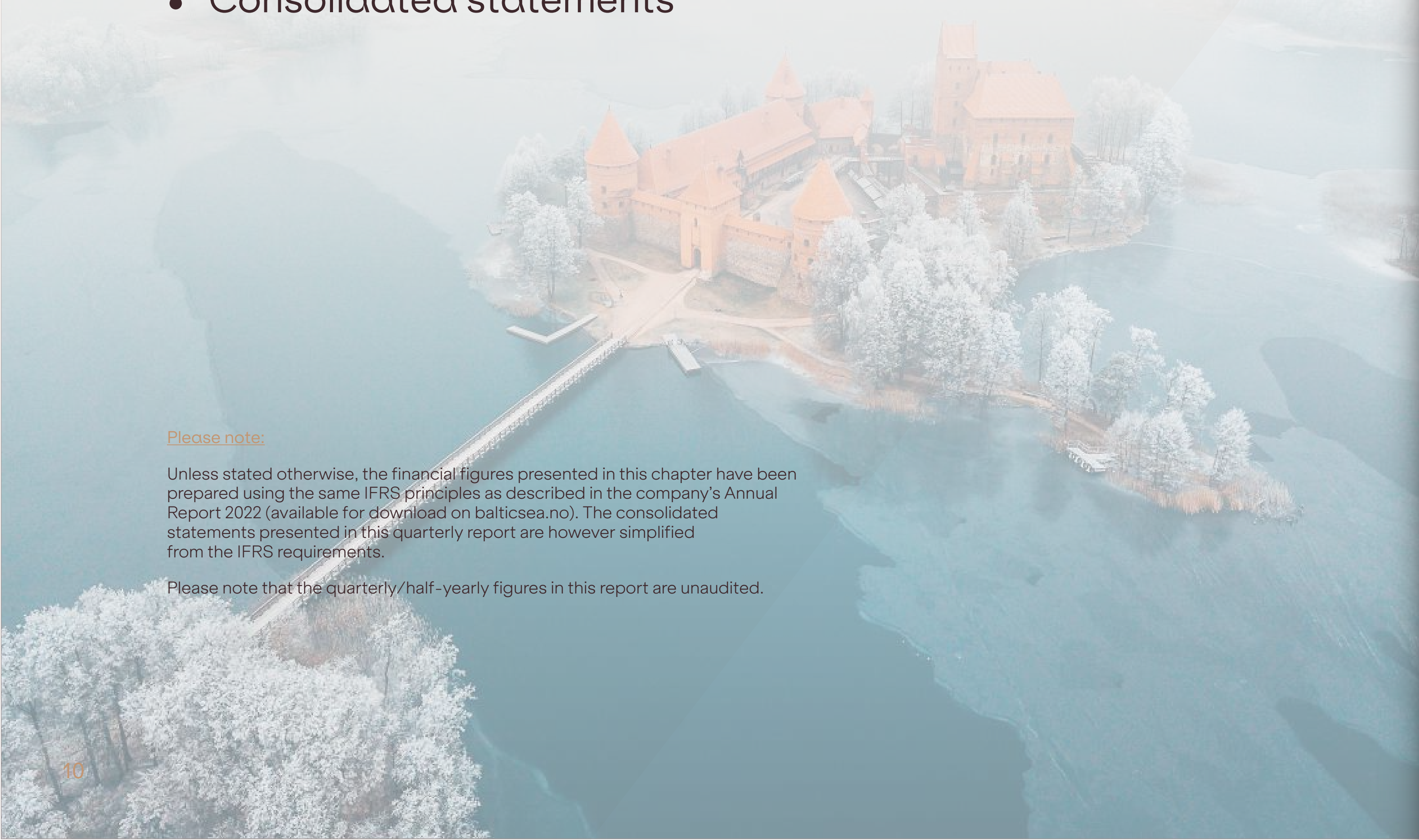


Please note:

Unless stated otherwise, the financial figures presented in this chapter have been prepared using the same IFRS principles as described in the company's Annual Report 2022 (available for download on balticsea.no). The consolidated statements presented in this quarterly report are however simplified from the IFRS requirements.

Please note that the quarterly/half-yearly figures in this report are unaudited.

Key figures group

Quarterly report Q4 2024 (unaudited)

Per share	31/12/2024	31/12/2023	31/12/2022
Net Asset Value (NAV) in NOK	72.27 *	68.95	62.11
NAV in EUR	6.13 *	6.13	5.91
YTD Return NAV incl. dividend (NOK)*	17.50%	13.56%	17.95 %
YTD Return NAV incl. dividend (EUR) *	11.97%	6.39%	12.11 %
Dividend distributed (NOK)	1.75	1.60	1.50
Dividend distributed (EUR)	0.15	0.14	0.15
Last transaction price per date (NOK)	49.46	47.40	50.00
Number of shares issued	8 696 077 *	6 688 232	6 688 232
EURNOK rate, balance sheet date [1]	11.80	11.24	10.51
EURNOK rate, YTD average [2]	11.63	11.42	10.10

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.
*In late June & July 2024, the company issued 2,007,848 new shares in a direct share issue at NOK 49 per share. The NAV return for 2024 has been adjusted to account for this event, with the return KPI based on the operational return for 2024, excluding cash proceeds and the new issued shares.

Group key figures	31/12/2024	31/12/2023	31/12/2022
Fair value of portfolio (MNOK)	1 314	1 121	1 016
Fair value of portfolio (MEUR)	111.4	99.8	96.7
Value of equity based on NAV - BSP method (MNOK)	628	460	414
Value of equity based on NAV - BSP method (MEUR)	53.2	40.9	39.5
Annualised contracted rent (MNOK)	116.4	93.6	88.4
Annualised contracted rent (MEUR)	9.0	8.3	8.0
Net income from property management (IFPM) (MNOK)	27.2	33.3	29.7
Net income from property management (IFPM) (MEUR)	2.3	2.9	3.0
NOI yield (investment projects)	8.00%	8.06%	7.88 %
Dividend yield (NAV)	2.39%*	2.44%	2.50%
Occupancy rate	100%	100%	99 %
WAULT (years)	8.6 yrs	9.1 yrs	9.1 yrs
IBD (incl. mezzanine facility) (NOK)	656	656	604
IBD (incl. mezzanine facility) (EUR)	55.6	58.3	57.4
LTV investment portfolio (incl. mezzanine facility)	53.74%	58.43%	59.42 %
Net LTV (inc. Cash)	50.62%	56.37%	56.95 %
Interest coverage ratio (ICR) - Group	1.04	2.09	2.39
Interest coverage ratio (ICR) - SPV finance	1.74	3.10	4.22

Terms/abbreviations used in this report:

- Fair value of portfolio = valuation of the real estate assets
- NOI = Net operating income from property portfolio (incl.internal property management expenses)
- NOI yield = NOI / Market value of the investment portfolio excluding development land value (land bank).
- Net rent = Income from rental activity from property portfolio minus (-) all unrecovered property expenses (not including internal property management fees).
- IFPM (Income From Property Management) = Profit/loss before tax excluding depreciations, profit/loss/value movements on properties, realised investments, currency and other financial instruments.
- IBD = Interest-Bearing Debt – all outstanding debt to credit institutions and/or other credit facilities
- LTV = Loan to Value ratio
- EBITDA = Earnings before interest, tax, depreciation and amortisation
- WAULT = Weighted average unexpired lease term
- Interest Coverage Ratio (ICR) Group - Group EBITDA/all interest paid
- Interest Coverage Ratio (ICR) SPV finance - Consolidated EBITDA of real estate subsidiaries/interest paid from real estate finance
- ROE - Return on Equity

Financial results

Quarterly report 2024 (unaudited)

Rental income performance

By the end of 2024, our rental income reached mEUR 8.29, representing a 3.7% increase from mEUR 7.99 reported at the end of the year before. This growth is mainly due to CPI adjustments on existing leases but also the effect of the expansion of BSP Park – Vilnius A1 coming into full effect during this year.

Operational cost and net rent

Direct ownership costs for the year of 2024 amounted to mEUR 0.29, down from mEUR 0.32 the year before. The reduction is mainly driven by income of tEUR 0.52 from solar energy production. Net rent amounted to mEUR 8.01, up from mEUR 7.67. The majority of direct owner costs are recovered through triple net lease agreements.

Administration Costs and Other Operating Expenses

Central administration costs for the period were mEUR 1.50 – up from mEUR 1.37 the previous year. Other operating expenses remained steady at mEUR 0.51 from mEUR 0.52 per 31st December last year. In addition to our fixed costs base, operating cost is mainly related investment acitivties, new developments and the capital raise completed in June and July.

Net income from property management

Net income from property management (IFPM) stood at mEUR 2.34, a decrease from mEUR 2.90 reported at the end of 2023. The reduction in IFPM is primarily driven by the significant increase in funding costs and one-time costs related to the capital raising process. However, we observe improvements on funding costs with lower forward curves for the EURIBOR (3-month EURIBOR decreased from 3.5% to 2.6% during last 6 months). This together with increased investment portfolio will have a major positive impact on IFPM going forward.

Fair Value Adjustments and Valuation Methodology

Despite the pressures on valuations over the last few years, BSP has managed to maintain a steady return, primarily due to our conservative approach to valuation methodology, CPI-adjustments and improvement in some of our lease agreements through professional asset management preserving our portfolio value throughout. This strategy has laid a strong foundation for the future, positioning us well to capitalise on what we believe will be improving yields and lower discount rates in the medium to longer term period.

During 2024, the valuation of our investment properties increased by mEUR 3.37. Additionally, the activation of development costs and the completion of solar panel installations increased the fair value by a total of mEUR 8.13.

We continue to employ the standard Discounted Cash Flow (DCF) method for our valuations, conducted by independent valuators. As of 31st December 2024, the portfolio was valued at mEUR 111.4, up from mEUR 99.8 at year-end 2023.

Interest Costs and Finance Expenses

We have experienced higher funding costs compared to the same period last year, with net realised interest costs and finance expenses reaching mEUR 3.62, an increase from mEUR 2.94 reported per the end of 2023. This increase aligns with the high global interest rate market, yet our financial management maintains a healthy margin above our covenant thresholds. For further information on our finance expenses, please see pages 14-16.

Profitability and Taxation

Net profit after tax for the year of 2024 was mEUR 4.60, compared to mEUR 2.62 in 2023.

Please note: The 2024 net profit after tax was negatively impacted by a one-time P&L effect (apx. 440 tEUR increased deferred tax liability for the Group) arising from the increase in Lithuania's corporate income tax rate from 15% to 16%, effective from 1st January 2025, which required a recalculation of our net deferred tax liability, booked as a tax expense in the 2024 profit and loss statement.

Income From Property Management

Specification

Income From Property Management	31 Dec 2024	31 Dec 2023	31 Dec 2022	31 Dec 2024	31 Dec 2023	31 Dec 2022
	EUR thousand	EUR thousand	EUR thousand	NOK thousand	NOK thousand	NOK thousand
Rental income	8 292	7 994	6 882	96 413	91 286	69 521
Property expenses ex mng	-285	-323	-298	-3 314	-3 683	-3 014
Net rent	**8 007**	**7 671**	**6 584**	**93 099**	**87 603**	**66 507**
Other operating income	67	66	113	785	754	1 138
Administration cost	-1 501	-1 356	-1 292	-17 457	-15 487	-13 056
Other operating cost	-513	-522	-671	-5 966	-5 956	-6 774
EBITDA	**6 060**	**5 859**	**4 733**	**70 461**	**66 918**	**47 815**
Net realised interest cost & finance expenses	-3 624	-2 940	-1 775	-42 139	-33 582	-17 931
Net income from property management (IFPM)	**2 436**	**2 919**	**2 958**	**28 322**	**33 336**	**29 884**
Changes in value of investment properties	3 368	347	1 708	39 157	3 961	17 252
Changes in value of financial instruments	-41	-565	1 019	-479	-6 449	10 295
Realised changes in value of investment properties	-	-	-198	-	-	-2 000
Depreciation, amortisation and impairment	-60	-91	-22	-699	-1 035	-219
Net currency exchange differences	29	5	97	341	58	981
Profit before tax	**5 731**	**2 615**	**5 563**	**66 641**	**29 869**	**56 193**
Current tax	54	176	-117	626	2 013	-1 181
Deferred tax	-1 184	-255	-795	-13 762	-2 913	-8 032
Profit from continued operations	**4 602**	**2 537**	**4 651**	**53 506**	**28 969**	**46 980**

Net Asset Value (NAV)	31 Dec 2024	31/12/2023	31/12/2022	31 Dec 2024	31/12/2023	31/12/2022
Currency	EUR	EUR	EUR	NOK	NOK	NOK
Equity as recognised in balance sheet	**52 013**	**40 041**	**38 586**	**613 495**	**450 061**	**405 682**
Pr share	5.99	6.00	5.78	70.62	67.40	60.75
Net Asset Value - BSP method						
Equity as recognised in balance sheet	52 013	40 041	38 586	613 495	450 061	405 690
Deferred tax according to balance sheet (-)	5 504	4 317	4 068	64 925	48 518	42 773
Equity excluding deferred tax	57 518	44 358	42 654	678 420	498 579	448 463
Deferred tax according to BSP orignal NAV definition (-)	4 289	3 390	3 203	50 589	38 109	33 676
Net asset value - BSP Method	**53 229**	**40 967**	**39 451**	**627 831**	**460 470**	**414 786**
Pr share	6.13	6.13	5.91	72.27	68.95	62.11
Number of outstanding shares	8 696 077	6 688 232	6 688 233	8 696 077	6 688 232	6 688 233

Financing

Quarterly report Q4 2024 (unaudited)

	Debt maturity			Interest Swap maturity		
Year	EUR	Share %	Interest margin	EUR	Share %	Swap fixed rate
0-1 year	-	-	-	2 070 272	3.72 %	0,72 %
1-3 years	55 622 905	100,0 %	2.18 %			
4-5 years				-	-	-
Total funding real estate portfolio[1]	**55 622 905**	**100.0 %**	**2.18 %**	**2 070 272**	**3.72 %**	**0.72 %**
Mezzanine[2]	4 239 084	7.1 %	9,30 %	-	-	-
Sum loan	**59 861 989**	**100 %**	**0.66 %**	**2 070 272**	**3.72 %**	**0.72 %**

[1)] Weighted average bank interest margin is 2.18 % + 3-months EURIBOR (per 31st of December 2024). The interest swap is against 3-months EURIBOR.

[2)] Interest rate for the mezzanine loan is including margin. The loan facility expires in September 2026.

Loan financing	31/12/2024	31/12/2023	31/12/2023
Interest-bearing debt incl. Mezzanine loan (MEUR)	59.61	58.30	57.4
LTV incl. mezzanine loan	53.74%	58.43%	59.38%
Interest-bearing debt excl.mezzanine loan (MEUR)	55.62	53.02	52.1
LTV excl. mezzanine	49.93%	53.13%	53.92%
12-month running interest margin all loans (margin)*	2.18%	2.83%	2.73%
Interest rate hedging ratio	3.72%	4.29%	39.74%
Interest rate coverage (ICR) - group	1.74	2.09	2.81
Interest rate coverage (ICR) - SPV finance***	2.27	2.68	4.13
Time until maturity interest-bearing debt (weighted)	2.2 yrs	3.41 yrs	4.4 yrs
Time until maturity interest hedging contracts (weighted)	0.3 yrs	1.34 yrs	1.3 yrs

* Excl. 3-months EURIBOR & swap agreements.
** LTV does not include cash position.
*** Includes all internal management fees

(MEUR)	31/12/2024	31/12/2023	31/12/2023
Interest-bearing debt, total	59.61	58.30	57.40
Interest-bearing debt, bank loan	55.62	53.02	52.10
Interest-bearing debt, mezzanine	4.23	4.45	2.07
Interest-bearing debt, seller credit	0.00	0.84	3.21
Cash	6.87	3.64	4.19
Net LTV, total	50.62%	56.37%	56.91%

* Net LTV include cash position

Financial expenses overview

Specification

BSP Group	Per 31/12/2024		Per 31/12/2023	
	NOK	EUR	NOK	EUR
EBITDA	**70 460 885**	**6 059 796**	**66 917 866**	**5 859 400**
Interest payable	**40 478 291**	**3 481 225**	**31 990 528**	**2 801 125**
ICR - group	**1.74**	**1.74**	**2.09**	**2.09**
Net realised interest cost & finance expenses				
Interest on real estate portfolio	36 469 746	3 136 481	32 951 035	2 885 380
SWAP costs	-	-	41 797	3 660
SWAP income	-1 076 087	-92 546	-5 939 299	-520 051
Interest mezzanine incl. contract fee	5 450 047	468 716	2 513 583	220 104
Interest seller's credit	322 151	27 706	2 732 817	239 301
Interest income	-687 566	-59 132	-311 398	-27 268
Sum interest expenses	**40 478 291**	**3 481 225**	**31 990 528**	**2 801 125**

Consolidated SPV-financed entities	Per 31/12/2024		Per 31/12/2023	
	NOK	EUR	NOK	EUR
EBITDA (incl. internal management cost)	**78 041 673**	**6 711 761**	**72 474 739**	**6 345 966**
Interest payable	**34 359 882**	**2 955 028**	**27 055 266**	**2 368 988**
ICR - SPV finance	**2.27**	**2.27**	**2.68**	**2.68**
Net realised interest cost & finance expenses				
Interest on real estate portfolio	35 435 969	3 047 574	32 952 766	2 885 380
SWAP costs	-	-	41 799	3 660
SWAP income	-1 076 087	-92 546	-5 939 299	-520 051
Sum interest expenses	**34 359 882**	**2 955 028**	**27 055 266**	**2 368 988**

Terms/abbreviations used above:

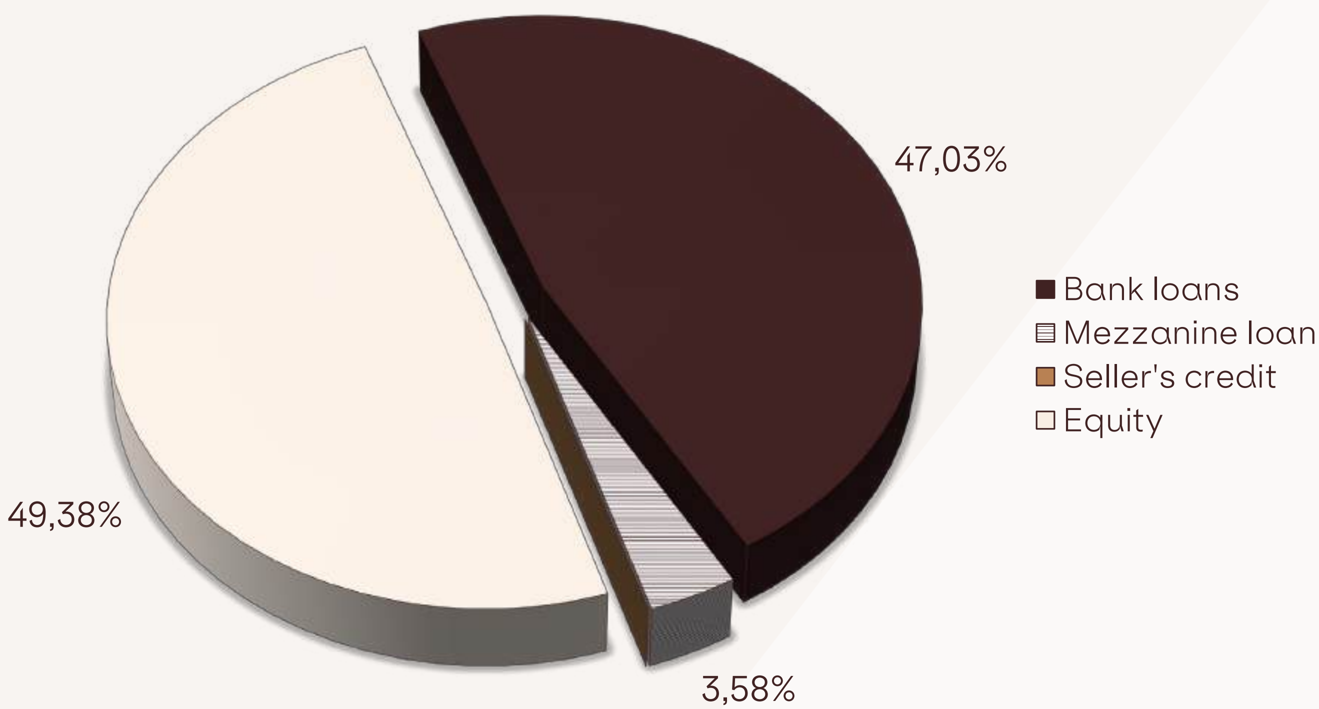
EBITDA = Earnings Before Interest, Taxes, Depreciations and Amortisations
ICR = Interest Coverage Ratio

Loan-to-Value (LTV)

Specification

Loan-to-Value ratio	Per 31/12/2024		Per 31/12/2023	
	NOK	EUR	NOK	EUR
Net nominal interest-bearing debt excl. mezzanine loan	656 072 165	55 622 905	595 940 050	53 017 219
Mezzanine	50 000 000	4 239 084	50 000 000	4 448 201
Seller's credit	-	-	9 398 185	836 100
Net nominal interest-bearing debt incl. mezzanine loan	**706 072 165**	**59 861 989**	**655 338 235**	**58 301 520**
Valuation of real estate portfolio	1 313 923 866	111 396 682	1 121 658 258	99 787 221
Loan to value excl. cash	**53.74 %**	**53.74 %**	**58.43%**	**58.43%**
Cash	80 989 728	6 866 445	40 889 578	3 637 701
Loan to value incl. cash (Net LTV)	**50.62 %**	**50.62 %**	**56.37%**	**56.37%**

Net LTV per 31/12/2024



Net Asset Value (NAV)

Net Asset Value (NAV) is a measure of the fair value of the company's net assets on an on-going long-term basis, calculated as the total value of the company's assets minus the total value of its liabilities, with certain adjustments.

Public and private real estate companies and real estate funds use slightly different adjustment principles when calculating their NAV. Below is therefore an explanation of how NAV is calculated in Baltic Sea Properties.

Assets valuation and adjustments for NAV:

- Investment (income generating) property and development land is valued and included using the most recent market value based on independent valuations (using discounted cash flow method.)
- External financial investments are valued and included at their most recently published/ recorded NAV (alternatively most recent transaction price if NAV is not available.)
- Development property, unfinished construction and other assets are valued and included at book value (cost price less depreciation)

Liabilities adjustments for NAV:

- Financial liabilities are valued and included at book value.
- Deferred tax liabilities are valued and included at 50 % of the deferred profit tax calculated on the difference between the current property market value and tax book value. (This adjustment principle is based on market practice and a deemed fair value basis)
- Interest rate swaps are valued and included at book value.
- Other liabilities are valued and included at book value.

Net Asset Value (NAV) per share development (YTD)	31/12/2024	31/12/2023	31/12/2022
NAV (NOK) - BSP method (IFRS)	72.27	68.95	62.11
Dividend (NOK)	1.75	1.60	1.50
Return on equity inc. dividend (NOK)*	17.35 %	13.56 %	17.95 %
NAV (EUR) - BSP method (IFRS)	6.13	6.13	5.91
Dividend (EUR)	0.15	0.14	0.15
Return on equity inc. dividend (EUR)*	11.97 %	6.39 %	12.11 %
Applied EURNOK conversion rate	11.80	11.24	10.51
Number of shares outstanding	8 696 077	6 688 232	6 688 232

* 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. Therefore, the NAV return for 2024 has been adjusted to account for this event, with the return KPI based on the operational return for 2024, excluding cash proceeds and the new issued shares in the return on equity calculation.

Consolidated statement of profit or loss

Amounts in NOK thousand

Year to date	31 December 2024	31 December 2023	31 December 2022
	Unaudited		
Rental income	96 413	91 286	69 521
Gain from sale of fixed assets	-	-	-
Other income	785	754	1 138
Total operating income	**97 198**	**92 041**	**70 659**
Payroll and related costs	17 457	15 487	13 056
Depreciation, amortisation and impairment	699	1 035	219
Other operating expenses	9 280	9 639	11 789
Total operating expenses	**27 436**	**26 162**	**25 063**
Change in fair value of investment properties	**39 157**	**3 961**	**17 252**
Operating profit	**108 919**	**69 840**	**62 847**
Change in fair value of financial instruments	-479	-6 449	10 295
Financial income	688	311	456
Financial expenses	-42 827	-33 892	-18 387
Net currency exchange differences	341	58	981
Net financial income (cost)	**-42 277**	**-39 971**	**-6 654**
Profit before income tax	**66 641**	**29 869**	**56 193**
Income tax expense	-626	-2 013	1 181
Change in deferred tax liability/asset	13 762	2 913	8 032
Profit for the period	**53 506**	**28 968**	**46 979**

Earnings per share	31 December 2024	31 December 2023	30 September 2023
Basic	6.32	4.34	7.04
Diluted	6.32	4.34	7.04

Profit is attributable to:	31 December 2024	31 December 2023	30 September 2023
- Owners of Baltic Sea Properties group	53 506	28 968	46 979
- Non-controlling interests	-	-	-

Consolidated statement of comprehensive income

Amounts in NOK thousand

Year to date	31 December 2024	31 December 2023	31 December 2022
	Unaudited		
Profit for the period	**53 506**	**28 968**	**46 979**
Other comprehensive income not to be reclassified to profit and loss			
Foreign currency translation differences	26 176	26 008	21 020
	26 176	**26 008**	**21 020**
Total comprehensive income for the period	**79 681**	**54 977**	**68 000**
Total comprehensive income is attributable to:			
- Owners of Baltic Sea Properties group	79 681	54 977	68 000
- Non-controlling interests	-	-	-
	79 681	**54 977**	**68 000**

Consolidated statement of financial position

Amounts in NOK thousand

Per date	31 December 2024	31 December 2023	31 December 2022
	Unaudited		
Assets			
Investment property	1 343 548	1 150 216	1 040 278
Other operating assets	1 654	1 631	1 727
Right-of-use assets	-	133	231
Financial derivatives, non-current	-	412	6 581
Other financial non-current assets	-	-	-
Long-term receivables	2 509	2 391	134
Total non-current assets	**1 347 712**	**1 154 786**	**1 048 952**
Trade receivables	3 271	3 209	4 071
Financial derivatives, current	171	214	-
Other receivables and other current assets	2 087	3 089	3 726
Cash and cash equivalents	80 990	40 888	44 083
Total current assets	**86 519**	**47 400**	**51 880**
Investment property held for sale	**-**	**-**	**-**
Total assets	**1 434 231**	**1 202 185**	**1 100 832**

Consolidated statement of financial position

Amounts in NOK thousand

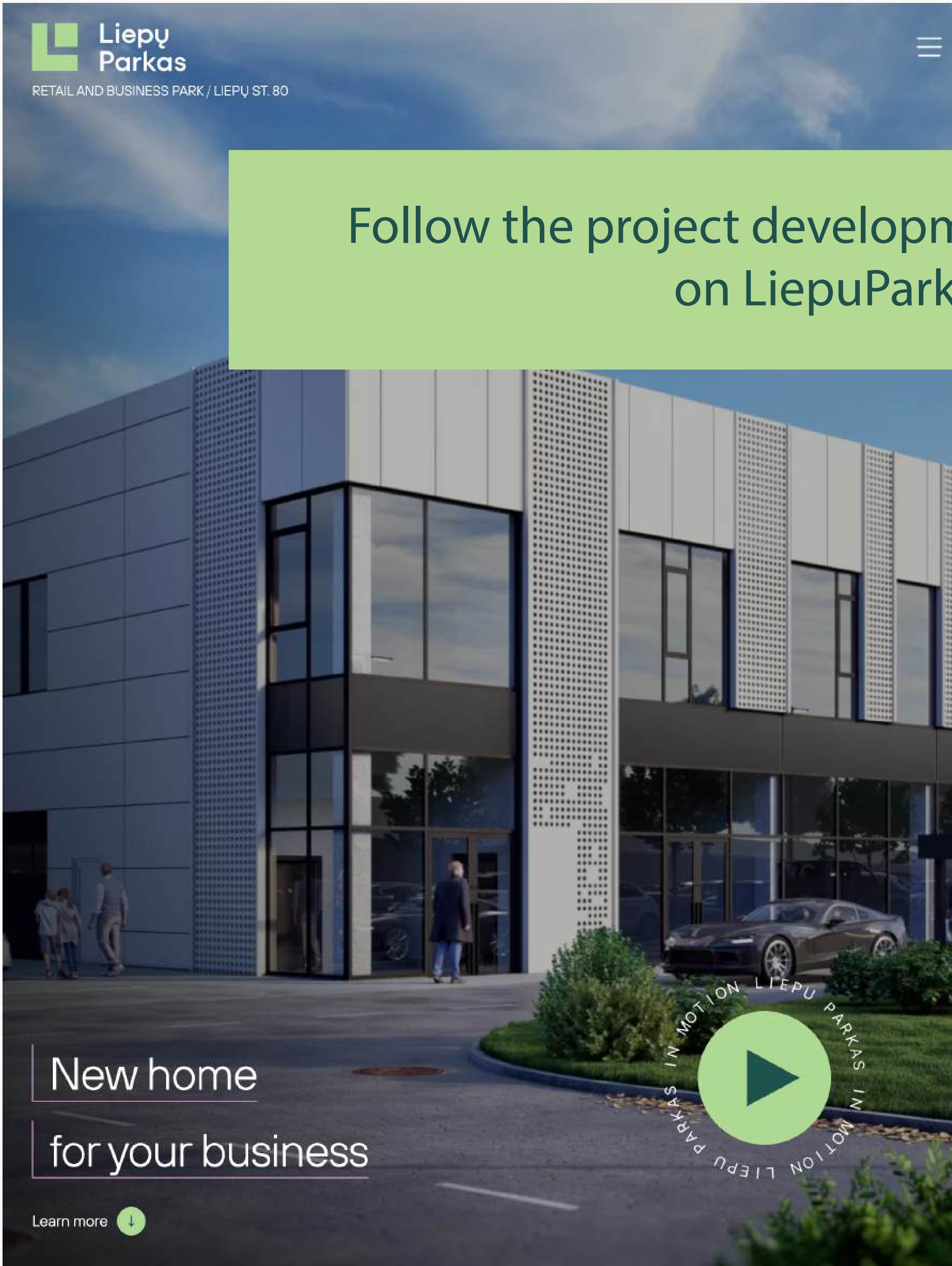
Per date	31 December 2024	31 December 2023	31 December 2022
	Unaudited		
Equity			
Share capital	870	669	669
Share premium	214 031	118 788	118 788
Other paid-in equity	-1	-1	-1
Total paid-in equity	**214 900**	**119 456**	**119 456**
Retained earnings	398 594	330 605	286 226
Total equity	**613 495**	**450 061**	**405 682**
Liabilities			
Deferred tax liabilities	64 925	48 518	42 772
Interest-bearing liabilities	657 058	616 955	541 659
Lease liabilities, non-current	30 381	29 051	23 919
Financial derivatives, non-current	-	-	-
Other non-current provisions	-	-	134
Total non-current liabilities	**752 365**	**694 522**	**608 483**
Lease liabilities, current	103	232	220
Interest-bearing liabilities, current	32 130	37 460	60 150
Trade payables	14 171	3 237	8 149
Income tax payable	-	-	2 132
Financial derivatives, current	-	-	-
Other current liabilities	21 968	16 671	16 014
Total current liabilities	**68 371**	**57 601**	**86 666**
Total equity and liabilities	**1 434 231**	**1 202 185**	**1 100 832**

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 2023	**669**	**118 788**	**-1**	**286 227**	**405 683**	**-**	**405 683**
Net profit for the period	-	-	-	28 968	28 968	-	28 968
Capital increase	-	-	-	-	-	-	-
Share based payments	-	-	-	89	89	-	89
Other comprehensive income for the period	-	-	-	26 008	26 008	-	26 008
Total comprehensive income in the period	**-**	**-**	**-**	**55 065**	**55 065**	**-**	**55 065**
Transactions with owners of the company:	**-**	**-**	**-**	**-**	**-**		**-**
Transactions with non-controlling interests	-	-	-	-	-	-	-
Dividends paid	-	-	-	-10 687	-10 687	-	-10 687
Equity at 31 December 2023	**669**	**118 788**	**-1**	**330 605**	**450 061**	**-**	**450 061**

	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	-	-	-	53 506	53 506	-	53 506
Capital increase	201	95 243	-	-	95 444	-	95 444
Share based payments	-	-	-	-	-	-	-
Other comprehensive income for the period	-	-	-	26 176	26 176	-	26 176
Total comprehensive income in the period	**-**	**-**	**-**	**79 681**	**79 681**	**-**	**79 681**
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**	**398 594**	**613 494**	**-**	**613 494**



Follow the project development on LiepuParkas.lt

Baltic States Synchronise with European Power Grid, Securing Energy Independence

10 February 2025

On 9 February 2025, Estonia, Latvia, and Lithuania officially synchronised with the Continental European power grid, completing a long-planned break from the Russian-controlled BRELL system. The move marks a historic shift in the region's energy independence, reducing exposure to external risks and ensuring long-term stability for businesses operating in the Baltic market.

A Long-Awaited Transition

For decades, the Baltic states remained linked to Russia's BRELL electricity system, a legacy of the Soviet era. Even after joining the European Union in 2004, their power networks remained under Russian control for frequency regulation and stability, leaving them vulnerable to geopolitical pressure.

The push to synchronise with Europe's power grid has been in motion for years, but it gained urgency following Russia's annexation of Crimea in 2014 and further escalated after the full-scale invasion of Ukraine in 2022. These events underscored the risks of dependence on Russian infrastructure and accelerated efforts to integrate fully with the European energy market.

The transition was made possible by major EU-backed investments in new energy infrastructure, with approximately €1.6 billion allocated to key projects. The LitPol Link (Lithuania-Poland) and NordBalt (Lithuania-Sweden) interconnectors were developed to ensure a smooth transition, strengthening the Baltic electricity network and preparing it for integration with the Continental European Synchronous Area (CESA).

On 8 February, the disconnection process began. The Baltic states operated independently for 24 hours, running system stability tests before successfully joining the European grid on 9 February. The move was hailed as a "new era of freedom" by European Commission President Ursula von der Leyen, underscoring the region's full integration into Europe's energy system.

What This Means for Businesses and Investors

With the transition complete, businesses in Estonia, Latvia, and Lithuania gain access to a more stable, competitive, and predictable energy market. The shift brings several long-term benefits:

1. **Enhanced Energy Security**

   Previously, the Baltic states were reliant on Russian-controlled operators, making their power supply vulnerable to potential disruptions or political interference. By joining the European grid, they now have greater control over their electricity market, reducing risks for businesses that rely on stable and uninterrupted power.

2. **A More Competitive Energy Market**

   Integration with Europe's electricity network opens up new opportunities for businesses to access competitive energy pricing, aligning the region with EU market regulations. This reduces exposure to price fluctuations driven by external political factors and ensures more predictable energy costs for industries, logistics operators, and commercial tenants.

3. **Increased Investor Confidence**

   The move reinforces the region's attractiveness for foreign investment, as energy security concerns are no longer a factor. For companies considering long-term commitments in the Baltic region, the synchronisation provides greater regulatory stability and market transparency, strengthening confidence in industrial and logistics real estate.

4. **A Boost for the Green Energy Transition**

   Now fully integrated into the European system, the Baltic states are better positioned to expand renewable energy capacity. Wind and solar power can now be more effectively integrated, aligning with EU sustainability goals and reducing reliance on fossil fuels. This transition is expected to create new opportunities for businesses seeking low-carbon energy solutions, further reinforcing the region's appeal as a sustainable investment destination.

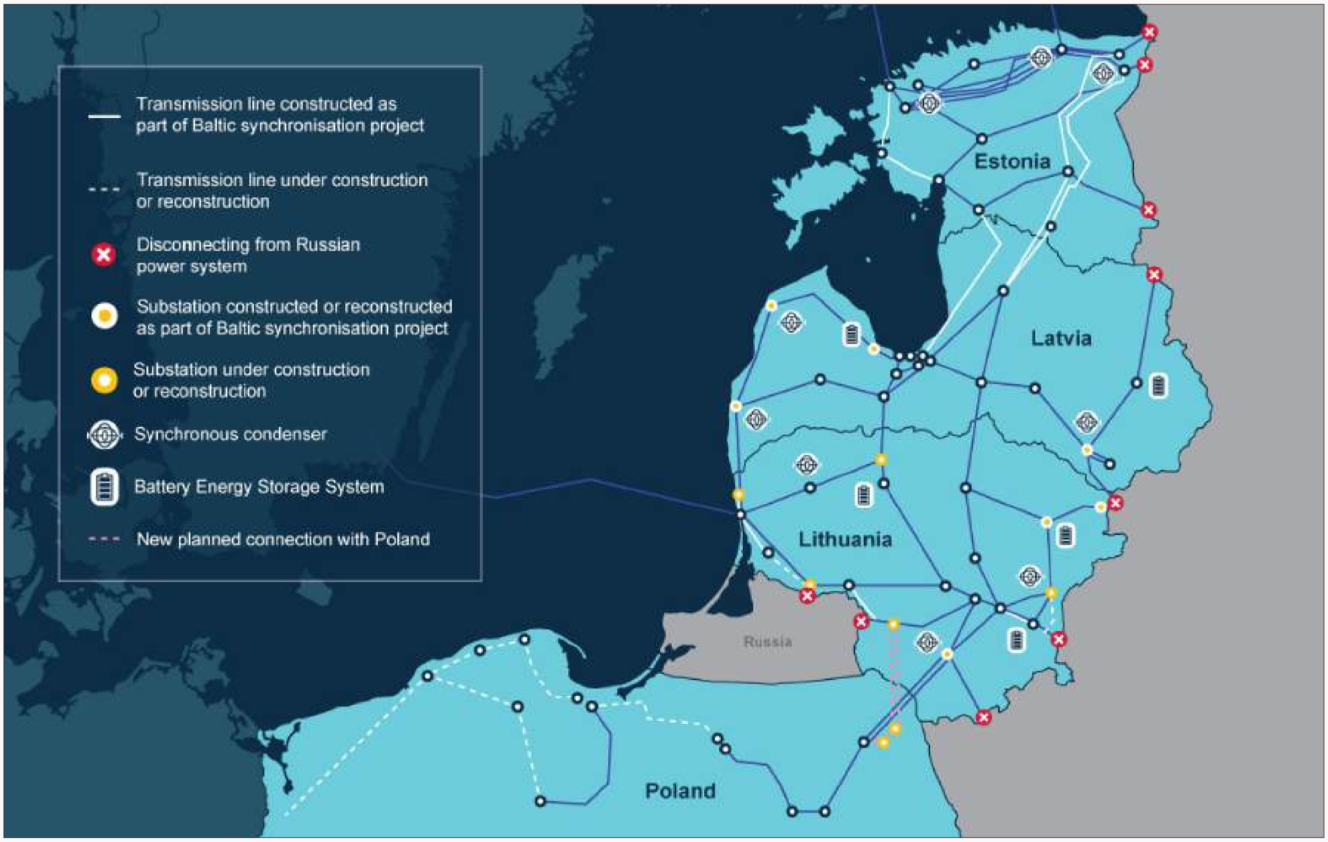
A Stronger and More Secure Baltic Market

The successful synchronisation of Estonia, Latvia, and Lithuania with the European power grid represents a major step forward for energy independence, economic stability, and investment potential. With energy security firmly established, the region is now in a stronger position to attract new businesses and investment, particularly in the logistics, industrial, and commercial real estate sectors.

For Baltic Sea Properties, this transition strengthens long-term confidence in the Baltic market, providing greater stability for clients and investors alike. With energy risks significantly reduced and greater access to competitive and sustainable power sources, the region is poised for continued economic growth and development.

Sources

- European Commission, "President von der Leyen and Commissioners Jørgensen and Kubilius in Lithuania in view of the Baltics' grid synchronisation," 7 February 2025.
- BBC News, "Baltic states switch to European power grid, ending Russia ties," 9 February 2025.
- Deutsche Welle, "Baltic states finally turn off Russian electricity," 7 February 2025.
- AP News, "3 Baltic states disconnect from the Soviet-era grid to merge with the European energy system," 8 February 2025.



Source | energy.ec.europa.eu

Property portfolio
Q4 2024

- Client mix
- Investment strategy
- Our development approach
- Sustainability in development
- BREEAM certification status
- Investment projects
- Development projects

Client mix

Distribution of 2025 rent income

LOGISTICS & DISTRIBUTION

RHENUS LOGISTICS
dpd
Girteka LOGISTICS
delamode International Logistics
Vingės Terminalas

56.3 %

RETAIL

GRANDUS
MAXIMA

17.3 %

INDUSTRIAL

onninen
EURO PART
WÜRTH

18.5 %

PHARMACEUTICAL

Oribalt

7.9 %

Investment strategy

Investing in Baltic Sea Properties gives an investor exposure to high-yielding, quality commercial real estate assets in the Baltic region.

We have a clear strategy for sustainable growth, ambitions to achieve economy of scale and believe the attractive yield spread to the Nordics will still enable both high cash yield returns and value growth potential.

Our overall goals and objectives are to:

01 Target an average annual net IRR (internal rate of return) of 10-15 %

02 Continually integrate leading sustainability & ESG principles

03 Monitor and investigate strategic M&A opportunities

04 Sustain a growing, high quality and balanced investment portfolio

05 Continually identify, balance, mitigate and manage risks

Our development approach

01
Client focus

Our projects are designed according to our clients' current and future needs. We offer our partners reliability, flexibility and value innovation - allowing us to grow together.

02
Attractive locations

We own and acquire development land in strategic locations for current and future park and portfolio expansion.

03
Quality real estate

We design and build our projects with a focus on superior design, quality materials, modern technology and sustainability.

04
Long-term

We believe in long-term partnership with strong clients and are committed to increasing the lifecycle value of our assets.

Sustainability in development

Building for the future — a holistic approach to new developments.

We are working actively with both building- and system-optimising solutions to improve the sustainability and reduce the carbon emission footprint of our operations.

We focus on the long-term longevity of our buildings and optimising our strategic locations. That is why we always design the buildings in our new developments to be durable for the long-term, focusing on high-quality material and solutions which offer building flexibility and adaptability for business and operational changes, different clients, and lease cycles over its lifespan.

We believe transition of the sustainability and quality in the operations should be imbedded in the development of buildings, also for industrial and logistics. Hence, at an early stage in the process in our built-to-suit developments, we offer a variety of sustainability solutions to our clients, including but not limited to:

BREEAM In-Use “Very Good” certification as a minimum

Efficiency-focused designs, emphasising longevity and flexibility for future adaptions

Solar panels, geothermal heating and heat pumps

Waste, recycling and smart water systems

Internal and external LED-lighting in all buildings

Delamode terminal
BREEAM In-Use: “Very good”

Oribalt terminal
BREEAM In-Use: “Very good”

Rhenus terminal
BREEAM In-Use: “Very good”

Maxima retail stores
BREEAM In-Use: “Good”

DPD - Šiauliai
BREEAM In-Use: “Excellent”

DPD - Telšiai
BREEAM In-Use: “Excellent”

Klaipėda Business Park
Status: Planning

Grandus Shopping Centre

Vingės terminal

Girteka terminal

BREEAM®

BREEAM is an environmental assessment and rating system that measures a building’s sustainability performance across categories like energy use, water consumption, materials, and waste, aiming to promote sustainable building practices and reduce environmental impact. The resulting rating indicates the building’s sustainability performance and can be used to demonstrate a commitment to sustainability and improve long-term building performance.

BSP Park - Vilnius A4 | Logistics

Client:	**Rhenus Logistics**
Location:	**Highway A4, Vilnius, Lithuania**
GLA:	**18 226 m^2**
Expansion project:	**17 255 m^2**

The property was finalised in June 2017 and further expanded in 2020. It is currently leased by UAB Rhenus Logistics, a subsidiary of the Rhenus Group. We have agreed on an expansion project of 17 255 m^2. Upon completion the logistics terminal will be approx. 35 600 m^2.

The Rhenus Group is one of Europe's biggest transportation groups, and UAB Rhenus Logistics covers the group's operations in the Baltics and part of the East European network.

[1] Originally Q2/Q3 2025.

BSP Park - Vilnius A3 | Logistics

Client: Vingės Terminalas
Location: Highway A3, Vilnius, Lithuania
GLA: 21 929 m^2

The property is strategically located along the highway between Vilnius og Minsk in Belarus.

Vingės Terminalas is a local logistics company within the the Vingės Logistics Group, operating within export, transit, order processing and goods transport. The company has a wide spectre of clients in Europe and CEE.

BSP Park - Vilnius East | Logistics

Client:	**Girteka Logistics**
Location:	**Highway A3, Vilnius, Lithuania**
GLA:	**17 149 m^2**

The property is leased by Girteka Logistics, one of Europe's leading transportation companies, strategically located by Vilnius International Airport.

The property has a land area of 42 907 m^2 with 11 458 m^2 storage, 2 014 m^2 frozen storage, 3 348 m^2 cold storage and 1 134 m^2 office.

BSP Park - Vilnius West | Logistics

Client: Delamode Baltics
Location: Highway A1, Vilnius, Lithuania
GLA: 13 205 m^2

The property was finalised in August 2020 and is currently leased by Delamode Baltics, a dynamic supplier of freight forwarding-solutions to the global market.

In July 2021, BSP signed an agreement with Delamode to expand the facility. The expansion project (apx. 4 780 m^2) was completed in September 2022.

BSP Park - Vilnius A1 | Logistics

Client: Oribalt
Location: Highway A1, Vilnius, Lithuania
GLA: 9 625 m²

The property was finalised in August 2020 and is currently leased by Oribalt. An expansion area of apx. 2 800 m² was handed over to the client in 2023.

Oribalt offers a wide spectre of logistics solutions for pharmaceutical producers, including storage, distribution, transportation and direct delivery.

Small frame | Terminal after expansion

Klaipėda Business Park (KVP) | Business park

Clients: Multiple (27)
Location: Klaipėda, Lithuania
GLA: 23 990 m²

Klaipėda Business Park (KVP) offers its tenants industrial, commercial and office spaces within the Free Economic Zone of Klaipėda.

BSP Retail I & II | Commercial

Main clients:	**Maxima/Multi-tenant**
Location:	**Lithuania**
GLA:	**4 358 m^2**

BSP Park Šiauliai FEZ & BSP Park Telšiai | Logistics

Client: DPD
Location: BSP Park Šiauliai FEZ & BSP Park Telšiai
GLA: 4 141 m²

In October 2022 we delivered two new terminals to DPD, one of the world's largest distribution operators, and the official opening ceremony was held on the 18th of November.

Grandus Shopping Center | Commercial

Clients:	**Multiple**
Location:	**Klaipėda, Lithuania**
GLA:	**11 437 m^2**

Grandus is a neighborhood shopping center located along one of the main access road to the center of Klaipėda. The center is located in the immediate vicinity of a larger residential area that ensures good access to visitors every day.

Development projects | In progress

BSP Park – Vilnius A4

Client:	Rhenus Logistics
Type:	Expansion project
Location:	Metelių str. 12, Vilnius
GLA:	17 255 m^2

Liepų Parkas

Clients:	ESO (Ignitis Grupe)
Type:	Retail/business park
Location:	Liepų str. 80, Klaipėda
Size:	3.6 hectare
Handover (1st stage):	January 2025

In January 2025, we officially handed over the first building in the park to ESO, a subsidiary of the public listed energy company Ignitis Group.

Stay tuned for news on the developments for the remaining three stages!

Read more on liepuparkas.lt.

Available land | For development

Project:	**BSP Park – Vilnius A1**
Type:	**Land plot for development**
Location:	**Maišinės vil. 1C, LT-21401 Trakai region**
Size:	**6.9 hectare**
Zoning:	**Commercial**

6.9 hectare strategically located by the A1 Highway to Vilnius, next to our Oribalt terminal.

Small frame | Concept visualisation

Available land | For development

Project:	**Klaipėda Business Park – Stage 4**
Type:	**Land plot for development**
Location:	**Pramones str. 8A, Klaipėda**
Size:	**2.2 hectare**
Zoning:	**Commercial**

2.2 hectare development land adjacent to our existing business park in Klaipėda, within the Free Economic Zone. The expansion of the business park can be up to 16,000 m^2 GLA.

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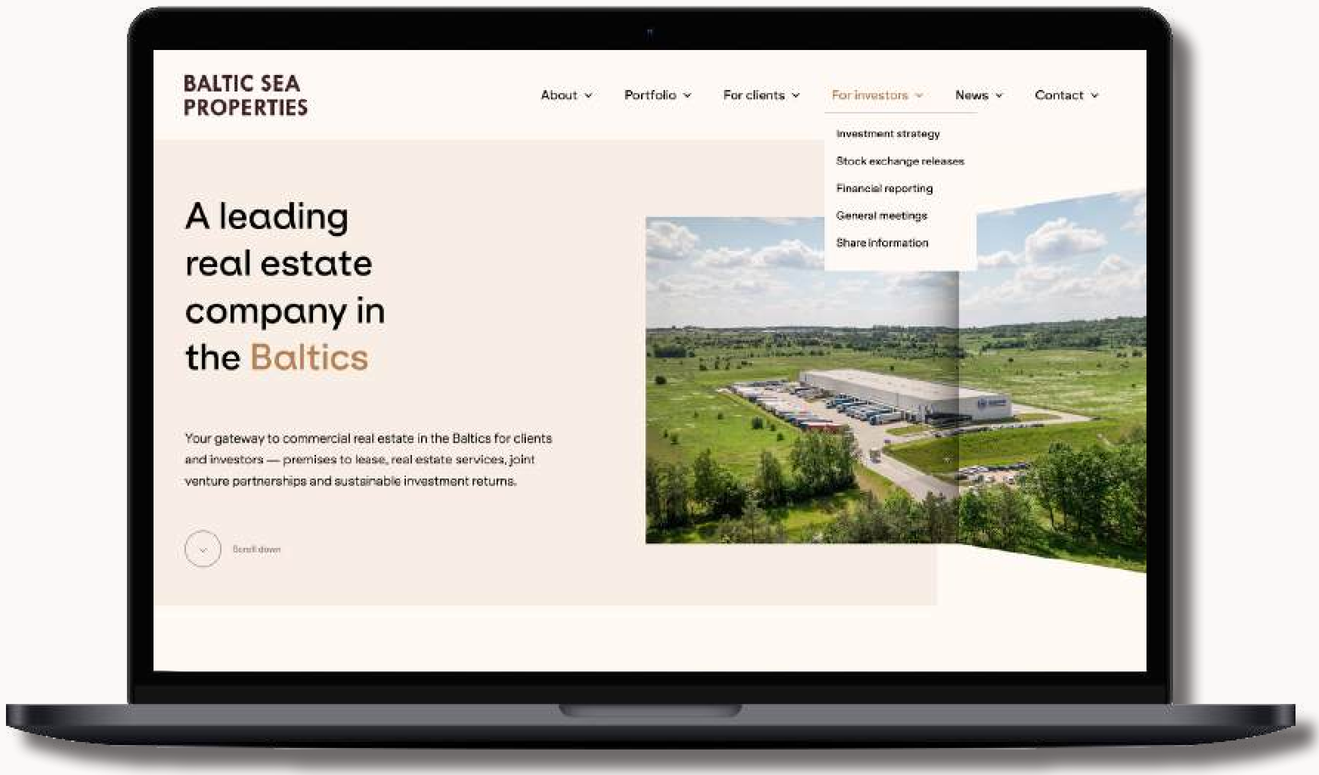


Euronext Growth Oslo

Baltic Sea Properties AS has since 2017 been listed for trading on Merkur Market/Euronext Growth Oslo, a MTF under Oslo Stock Exchange.

Since Euronext's acquisition of Oslo Stock Exchange in June 2019, trading at Euronext Growth Oslo has been migrated to Euronext's trading system Optiq. The trading system gives all trading on Euronext marketplaces in Europe access to trading on the marketplaces under Oslo Stock Exchange. Pricing data is available on live.euronext.com were trades are updateed in real-time.

Euronext Growth Oslo is subject to Euronext's rulebook regime.

For more information, please refer to the following links:

English: https://www.oslobors.no/ob_eng/Oslo-Boers/About-Oslo-Boers/Web-pages-has-been-moved-to-Euronext

Norwegian: https://www.oslobors.no/Oslo-Boers/Om-Oslo-Boers/Nettsider-flyttes-til-Euronext

EURONEXT

Useful info:

As Baltic Sea Properties (ticker: BALT) is listed for trading on Euronext Growth Oslo, the share may be traded through different channels. You may for instance place purchase or sales orders on different online trading platforms.

Contact your custodian, stock broker or bank for more information.

Appendix 1

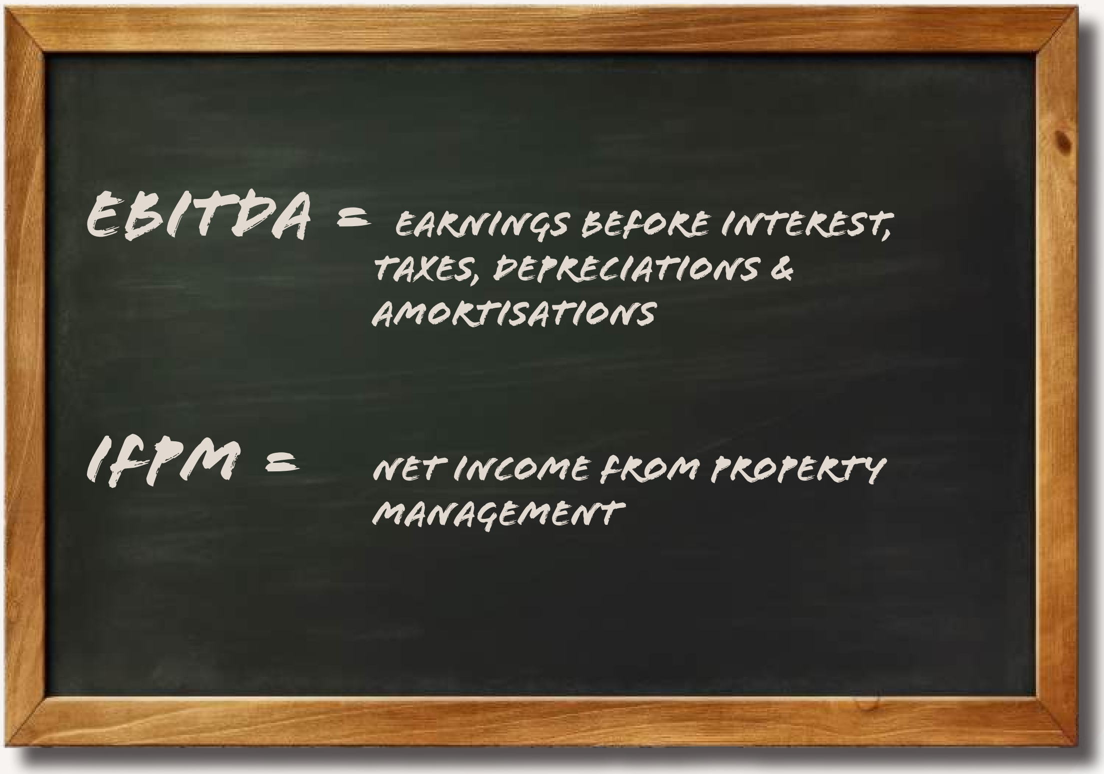
Reconciliation of APM's*

* 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)	31 December 2024	31 December 2023	Page	Source
Rental income	96 413	91 286		Consolidated Profit/Loss Statement
Other income	785	754		Consolidated Profit/Loss Statement
Payroll and related costs	-17 457	-15 487		Consolidated Profit/Loss Statement
Other operating expenses	-9 280	-9 639		Consolidated Profit/Loss Statement
EBITDA	**70 461**	**66 914**	**11, 13, 15**	
Financial income	688	311		Consolidated Profit/Loss Statement
Financial expenses	-42 827	-33 892		Consolidated Profit/Loss Statement
IFPM	**28 322**	**33 334**	**11, 13**	

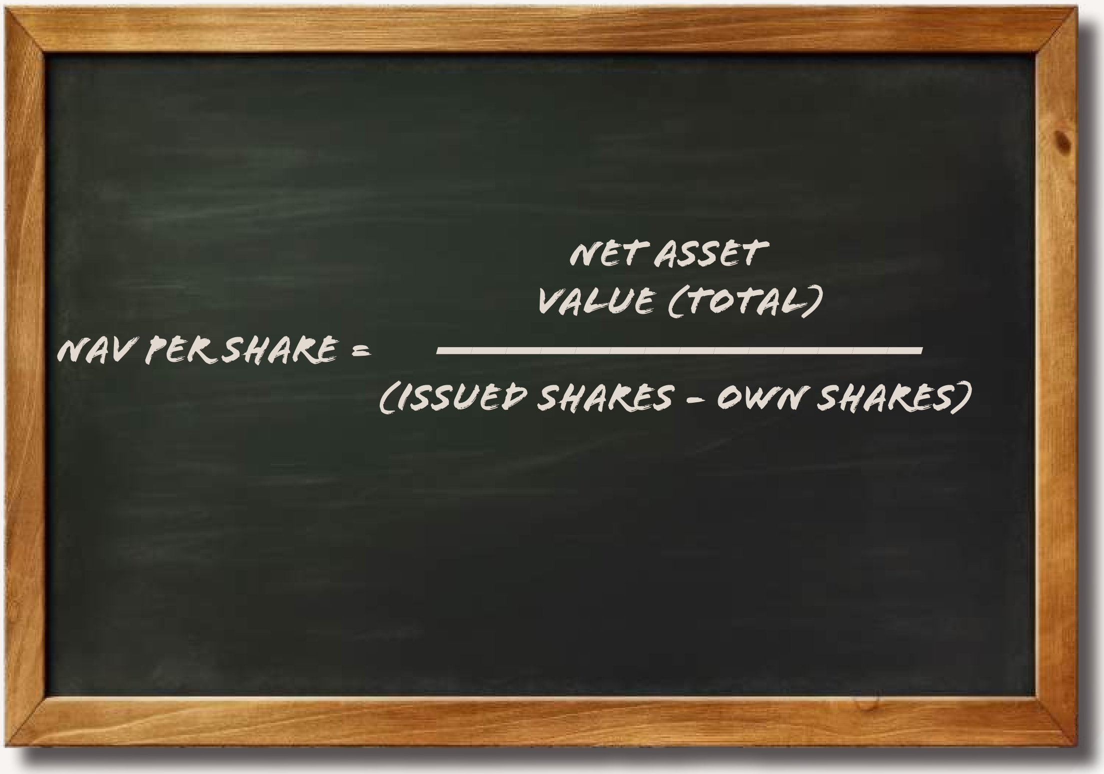
Loan-to-Value ratio (LTV)

Reconciliation

Reconciliation with IFRS figures				
(TNOK)	31 December 2024	31 December 2023	Page	Source
Interest-bearing liabilities (non-current)	657 058	616 955		Consolidated statement of financial position
Interest-bearing liabilities (current)	32 130	37 460		Consolidated statement of financial position
+ IFRS adjustments (periodisation & amortisation)	16 884	923		Internal calculation
Net nominal interest-bearing debt	**706 072**	**655 337**		
Investment property	1 343 548	1 150 216		Consolidated statement of financial position
- IFRS adjustments (periodisation & amortisation)	-29 624	-28 876		"Internal calculation/ Note 4 of annual report"
Fair value of investment property	**1 313 924**	**1 121 340**		
Cash	80 990	40 888		Consolidated statement of financial position
Fair value of investment property + Cash	**1 394 914**	**1 162 228**		
LTV	**53.74 %**	**58.44%**	**11, 14, 16**	
Net LTV	**50.62 %**	**56.39%**	**11, 14, 16**	

Net Asset Value (NAV)

Reconciliation



Reconciliation with IFRS figures	31 December 2024	31 December 2023	Page	Source
Total equity (TNOK)	613 495	450 061		Consolidated statement of financial position
+ Deferred tax liabilities (TNOK)	64 925	48 518		Consolidated statement of financial position
- Deferred tax according to BSP original NAV definition (TNOK)	-50 589	-38 109	17	(See description on cited page)
Net Asset Value (TNOK)	**627 831**	**460 470**		
Number of issued shares (excl. own shares)	8 687 466	6 679 622		VPS
NAV per share*	**72.27**	**68.95**	**11, 13, 17**	

* 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.

Interest Coverage Ratio (ICR)

Reconciliation

Reconciliation with IFRS figures				
(TNOK)	31 December 2024	31 December 2023	Page	Source
EBITDA (Group)	**70 461**	**66 914**	**48**	**Own calculaltions**
Interest income	-688	-311		
Interest expenses payable (incl. hedge effect)	41 166	32 260		
Other adjustments	-	-		
Net interest expenses	**40 478**	**31 949**		
ICR (Group)	**1.74**	**2.09**	**11, 15**	

BALTIC SEA PROPERTIES

balticsea.no