



# BALTIC SEA PROPERTIES

Annual Report 2025



# Contents

About us	4
Market update from Newsec Baltics	6
CEO's comment	8
Key figures	9
Financing	11
<b>Annual Statements — 2025</b>	<b>12</b>
Board of Directors & CEO's annual report & declaration	13
Consolidated statement of profit or loss	18
Consolidated statement of comprehensive income	18
Consolidated statement of financial position	19
Consolidated statement of changes in equity	20
Consolidated statement of cash flows	20
Notes to the consolidated financial statements	21
Annual financial statement for the parent company	32
Independent auditor's report	38
Contact	40
Appendix — Reconciliation of APM's	41

## 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. 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.



# About us

**Baltic Sea Properties (BALT)** is a Norwegian real estate investment company listed on Euronext Growth Oslo. We acquire, develop, and manage high-quality commercial properties, focusing on logistics, industrial, and retail segments. Our portfolio consists of long-term, triple-net leased assets with solid tenants, ensuring stable cash flows and predictable returns.

We operate with a long-term, partnership-oriented approach, combining local market expertise with Scandinavian governance standards. The company emphasises sustainability, efficient property management, and value creation through active development and optimisation of its assets.

With headquarters in Oslo and a fully operational local organisation in Lithuania, we are strategically positioned to capitalise on the region's growing logistics and industrial demand, driven by EU integration, strong economic fundamentals, and increased trade connectivity between Northern and Eastern Europe.

**13**  
investment  
projects

**131,000 m<sup>2</sup>**  
GLA

**€ 9.1 m**  
contracted  
rent

**9.2 years**  
WAULT

**€ 120.4 m**  
GAV

**7.90 %**  
NOI yield

**2.75 %**  
dividend  
yield

**46.4 %**  
Net LTV

## Our Targets

10-15%  
average  
annual IRR

€ 100m  
equity by end  
of 2028

1.5-3.0%  
annual  
dividend's  
share of  
NAV

## Our Strategy

Pursue  
strategic  
M&A

Sustain  
high-quality  
portfolio  
growth

Continually  
research,  
learn and  
develop

Actively  
manage  
risks

# Market Update

Provided by Kristina Živatkauskaitė and Mindaugas Kulbokas at Newsec Baltics (3 April 2026)

## Steady Growth Amid External Uncertainty

Lithuania enters 2026 with growth expected to remain solid, following 2.8% real GDP growth in 2024 and an estimated 2.9% expansion in 2025. Real GDP is forecast to accelerate to 3.1% in 2026, before moderating thereafter, supported by resilient household consumption, rising public spending and a more supportive interest rate environment. While exports remain exposed to a weak and uncertain external backdrop, nominal GDP is projected to approach EUR 90bn in 2026, underpinned by continued wage growth and rebounding investment.

Inflation has reaccelerated and the outlook remains uncertain. HICP averaged 3.4% in 2025 and is forecast at 3.7% in 2026, with upside risks linked to energy prices and the broader geopolitical environment. Wage growth is expected to remain robust at 7.9% in 2026, while unemployment is projected to ease to 6.8%, pointing to a gradually tightening labour market.

Fiscal policy remains expansionary, partly reflecting higher defence-related expenditure. According to the latest European Commission forecast, public debt is projected to rise to 42.1% of GDP in 2026 and 45.4% in 2027, still below the EU average.

Looking ahead, downside risks remain linked to geopolitics, energy prices and weaker demand in key partner markets. At the same time, domestic demand should remain supportive, including the temporary consumption impulse from the second-pillar pension reform, while investment is expected to benefit from public spending and easing financing conditions.

## Investment Market Dominated by Local Capital

Investment activity strengthened in Lithuania in 2025, with total transaction volume rising to EUR 270 million from EUR 155 million in 2024, and a further increase is expected in 2026. Reported volumes reflect transactions of EUR 5 million and above and remain concentrated in the mid-sized segment, while the share generated by deals above EUR 20 million fell to its lowest level of the past decade. At the same time, market liquidity continues to be supported by a large number of smaller transactions below EUR 5 million, although these are not captured in the headline figures.

The market continues to be driven primarily by local capital, including investment funds, corporates and end-users, while larger transactions remain comparatively rare and often require more structured execution. Investors remain selective, prioritising defensive income, strong tenant profiles and assets that are straightforward to finance in a still cautious lending environment. As interest rates ease, pricing has stabilised and prime yields have remained broadly steady, with limited near-term pressure for sharp compression. However, bid-ask gaps persist for secondary assets, where refurbishment needs and reletting risk remain harder to underwrite.

## Retail Remains One of the Most Active Investment Segments

Retail assets remain among the most active segments in Lithuania's investment market as the country moves through 2025-2026, supported by resilient occupier fundamentals and steady consumer demand. Investor interest continues to focus on established shopping centres and retail parks with proven catchment areas, stable anchor tenants and resilient footfall, while well-performing schemes in regional cities are also attracting attention. Across the Baltic retail market, prime assets continue to benefit from low vacancy and stable rental conditions, reinforcing the appeal of well-located retail formats with clear income visibility. Lithuania's retail sector is further supported by real wage growth and high employment, which help sustain household spending despite a more uncertain external environment. Looking ahead, retail should remain attractive to investors, although demand is likely to stay selective and concentrated on modern assets with secure cash flow and limited reletting risk.

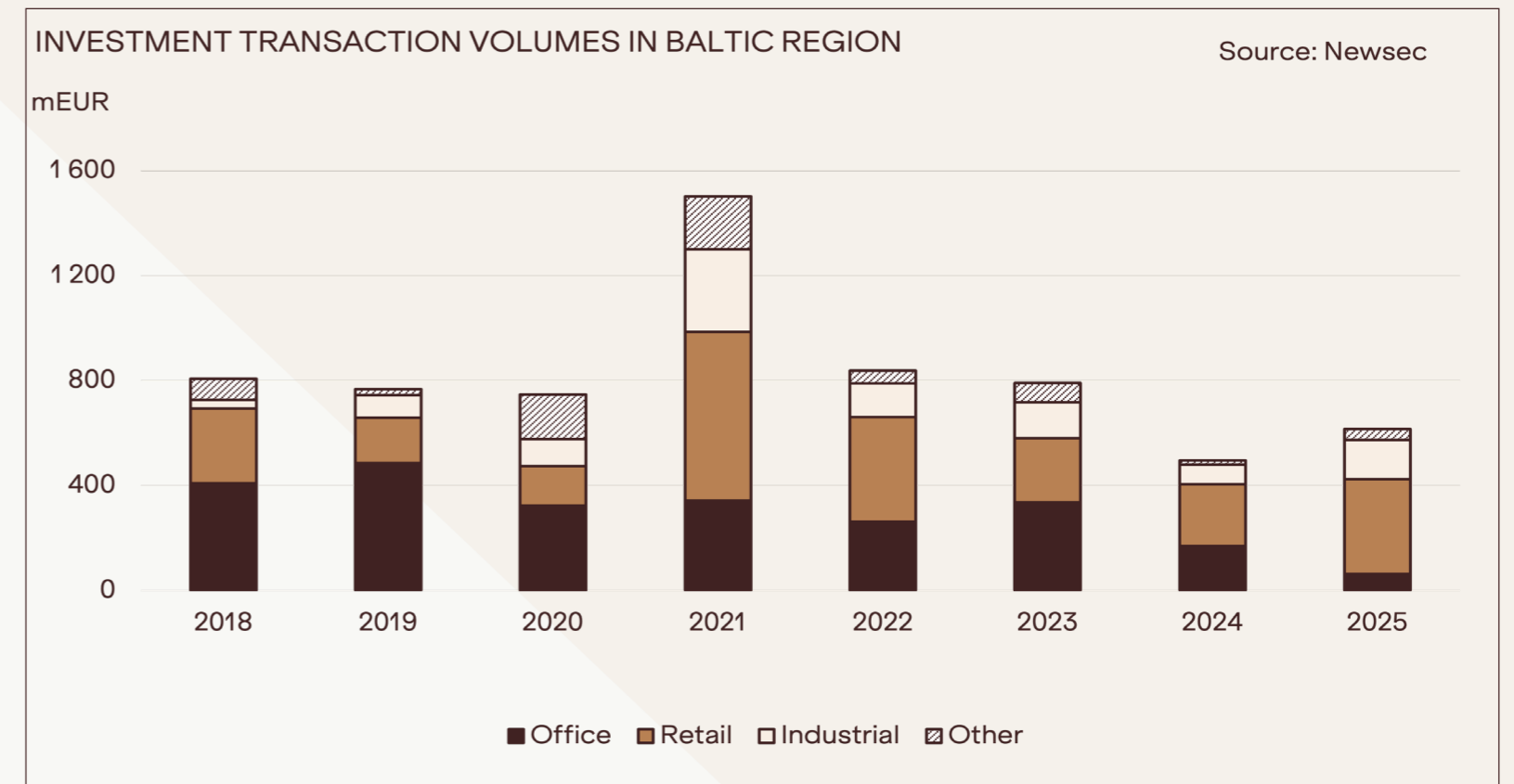
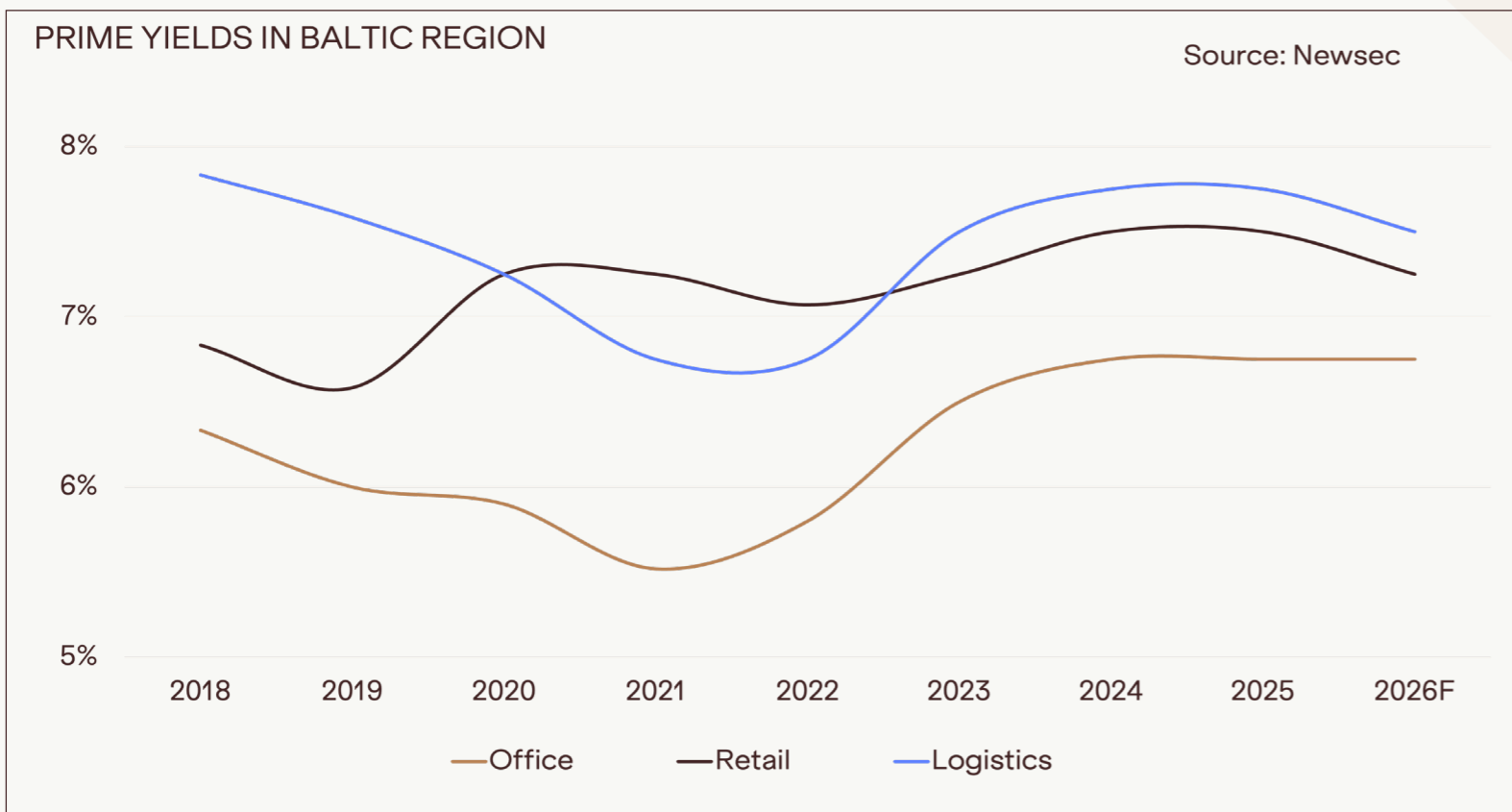
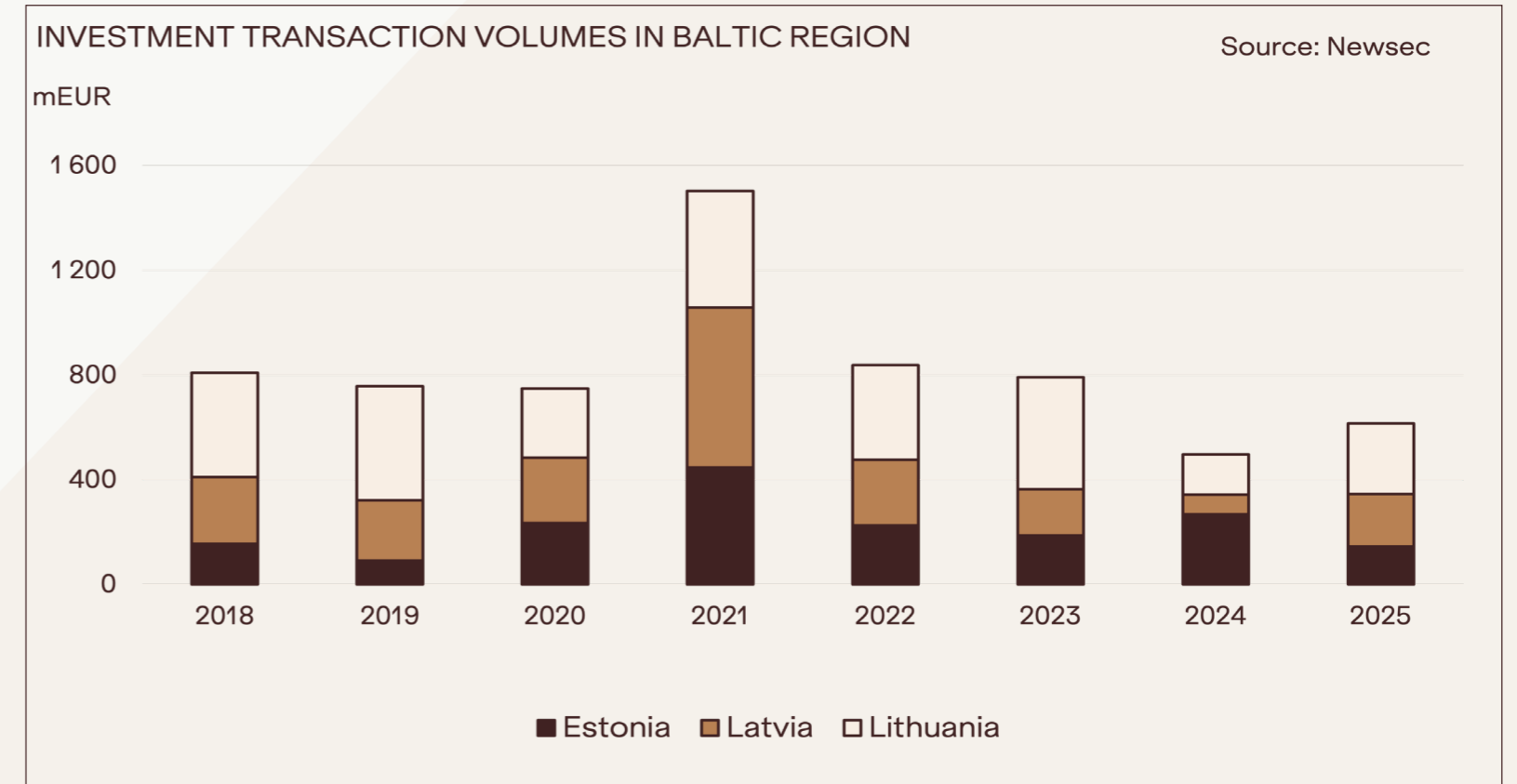
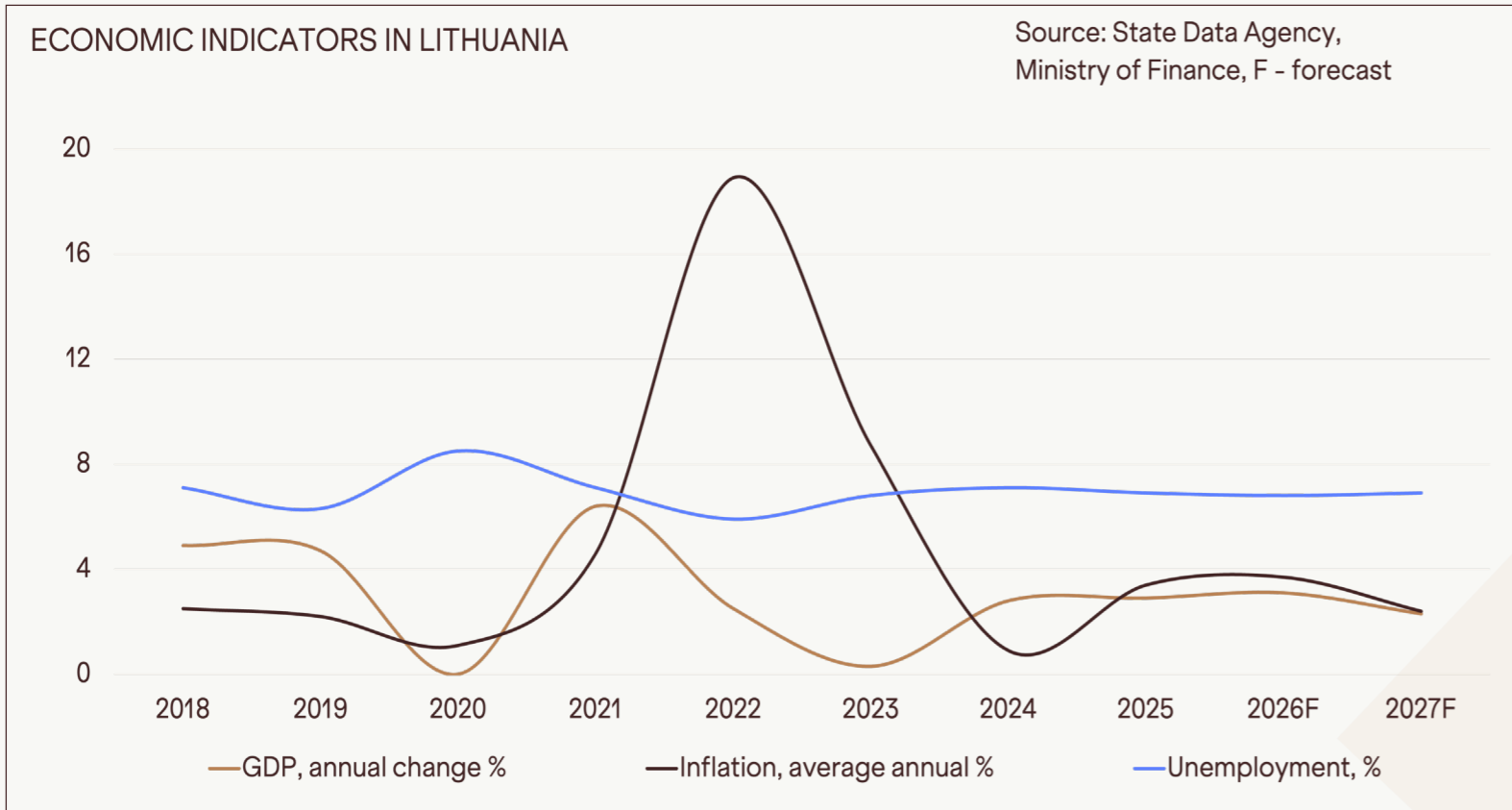
## Offices: Demand Fragments as Flight to Quality Strengthens

Office leasing market in 2025 was shaped less by expansion and more by relocations, consolidation and efficiency-driven moves. Demand became increasingly fragmented, with activity shifting towards smaller deal sizes and some buildings reducing vacancy through a combination of multiple smaller tenants rather than a single anchor occupier. The technology, IT and fintech ecosystem continued to lead in terms of transaction numbers, while the public sector accounted for a meaningful share of take-up by area. Tenant expectations also continued to evolve, with greater emphasis on workplace quality, flexibility and accessibility, reinforcing a clear flight to quality. As a result, market performance has become more polarised. Well-located, modern assets remain more competitive, while older or less efficient stock faces longer vacancy periods and growing pressure to reposition through subdivision, refurbishment or reconfiguration to meet current occupier requirements and ESG standards.

## Logistics Market Moves into a More Balanced Phase

Lithuania's logistics and industrial market moved into a more balanced phase in 2025 after the supply peak of 2024, with development becoming more selective and occupier demand increasingly concentrated in modern, efficient premises. In Vilnius, warehouse vacancy normalised at 5.0% by 2025 year end, reflecting both the release of previously less visible space and a continued preference for higher-quality buildings. Modern warehouse stock reached 1.2 million sqm in Vilnius and close to 2.3 million sqm in three major regions. This points to a market where speculative activity is becoming more measured and new development is increasingly aligned with clearer demand visibility.

The market is also becoming more polarised. Modern, well-located logistics assets continue to attract occupier interest, particularly where they offer strong functionality, energy efficiency and ESG readiness, while older or less efficient facilities face slower absorption and greater leasing pressure. Prime warehouse rents have remained broadly stable, supporting income visibility for better-quality assets even as competition has increased in parts of the market. Looking ahead, the sector should remain stable, with demand continuing to focus on modern, efficient and sustainable space.



# CEO's comment

We are pleased to report solid progress in 2025, as BSP continued its project and income growth. We also see the clear benefits of the lower interest rate environment experienced during the year.

## Financial Performance

Total income increased by 10%, driven by new cash flows from recently completed developments and CPI-indexed rental increases across the portfolio. Income from Property Management increased by more than 34% year-on-year, supported by active asset management and lower financing costs. Together, these factors have significantly improved our underlying cash flow generation and financial resilience, providing a strong base for further expanding our portfolio.

## Portfolio Development

While we continue to evaluate potential acquisitions and tender new build to suit opportunities, our continued focus has been on optimizing the existing portfolio. An example is BSP Park Vilnius East, which transitioned from a master lease to a diversified multi-tenant park. Approximately 70% of the income is already secured, and we expect the full c. 17,000 sqm to be leased during 2026. The asset has been conservatively valued, limiting downside at current levels. CAPEX is linked to securing longer-term leases which would improve income predictability and cash flow stability.

In Liepų Parkas, Klaipėda, we recently delivered a new building to Inchcape for their new BMW and BYD sales and service center. This marks another important step in establishing one of Western Lithuania's leading business and retail parks. We have now delivered two of the four planned buildings. The third multi-tenant building is expected to be completed during the year, and we have currently secured over 65% pre leases. The fourth building is at preliminary stages and remains part of our development pipeline. Upon full completion, the park is expected to comprise close to 15,000 sqm.

## Market Environment

From a market perspective, we have observed increased stabilisation. Yields in our core segments have flattened out and in some cases are contracting, finance conditions have improved significantly, and transaction activity is picking up. Lithuania continues to demonstrate relative economic strength, with projected GDP growth in 2026 of 2.5–2.7%, compared to approximately 1.5% in the Nordics and the broader European average.

## Net Asset Value

Net Asset Value increased to EUR 56.7 million through the year, including dividends distributed in line with our policy, represents a total annual return of 9.1% (EUR). 2025 return was slightly below our average expectations, mainly due to conservative valuations on some projects and increase in tax rate (affecting deferred tax in valuations), however the improved financing environment, new projects, increased scale, and operational efficiency provide a solid foundation for stronger performance going forward.

## Outlook & Strategy

BSP remains a development-focused real estate platform with a long-term partnership mindset. Our fully integrated in-house management team, disciplined capital allocation, strong governance framework, and commitment to environmental and social sustainability continue to support our positioning in the market.

Looking ahead, we remain firmly focused on our development and acquisition pipeline, prudent asset management and leasing across the portfolio and pursuing selective M&A opportunities. BSP shareholders and board have approved share buybacks, as we believe the recent share price does not reflect the underlying asset value and risk adjusted returns of the Company. Repurchasing shares at these levels represents a compelling capital allocation opportunity to enhance long-term value for our shareholders.

We thank all of our stakeholders and shareholders for their continued trust and support.

— Lars Christian Berger (CEO)

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# Key Figures

Year-end report 2025

Per share	31 Dec 2025	31 Dec 2024	31 Dec 2023
Net Asset Value (NAV) in NOK	77.25	72.52	68.95
NAV in EUR	6.52	6.15	6.13
YTD Return NAV incl. dividend (NOK)*	9.54%	16.78%	13.56%
YTD Return NAV incl. dividend (EUR) *	9.11%	11.22%	6.39%
Dividend distributed (NOK)	2.00	1.75	1.60
Dividend distributed (EUR)	0.17	0.15	0.14
Last transaction price per date (NOK)	46.70	49.46	47.40
Number of shares issued	8 696 077	8 696 077 *	6 688 232
EURNOK rate, balance sheet date <sup>1</sup>	11.84	11.80	11.24
EURNOK rate, YTD average <sup>2</sup>	11.72	11.63	11.42

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 2<sup>nd</sup> quarter of 2024 and 226,450 in the 3<sup>rd</sup> quarter.

Group key figures	31 Dec 2025	31 Dec 2024	31 Dec 2023
Fair value of portfolio (MNOK)	1 426	1 316	1 121
Fair value of portfolio (MEUR)	120.4	111.6	99.8
Value of equity based on NAV - BSP method (MNOK)	671	630	460
Value of equity based on NAV - BSP method (MEUR)	56.6	53.4	40.9
Annualised contracted rent (MNOK)	107.7	105.1	93.6
Annualised contracted rent (MEUR)	9.1	9.0	8.3
Net income from property management (IFPM) (MNOK)	38.2	28.3	33.3
Net income from property management (IFPM) (MEUR)	3.3	2.4	2.9
NOI yield (investment projects)	7.95%	8.00%	8.06%
Dividend yield (NAV)	2.60%	2.39%*	2.44%
Occupancy rate	96%	100%	100%
WAULT (years)	9.2	8.6	9.1
IBD (incl. mezzanine facility) (NOK)	749	702	656
IBD (incl. mezzanine facility) (EUR)	63.2	59.5	58.3
LTV investment portfolio (incl. mezzanine facility)	52.49%	53.32%	58.43%
Net LTV (incl. Cash)	46.36%	47.17%	54.80%
Interest coverage ratio (ICR) - Group	2.23	1.74	2.09
Interest coverage ratio (ICR) - SPV finance	2.72	2.27	2.68

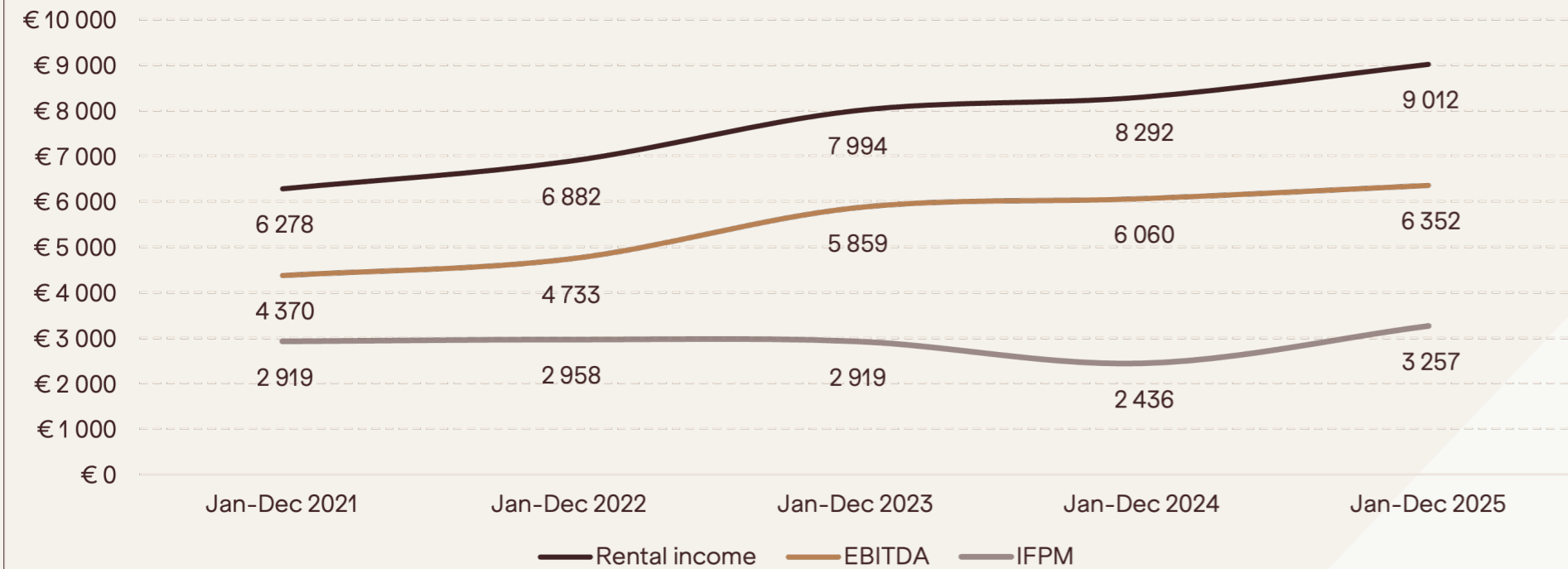
EBITDA & IFPM	Jan - Dec 2025	Jan - Dec 2024	Jan - Dec 2023	Jan - Dec 2025	Jan - Dec 2024	Jan - Dec 2023
	EUR	EUR	EUR	NOK	NOK	NOK
	thousands	thousands	thousands	thousands	thousands	thousands
Rental income	9 012	8 292	7 994	105 602	96 413	91 286
Property expenses ex mng	-408	-285	-323	-4 785	-3 314	-3 683
<b>Net rent</b>	<b>8 604</b>	<b>8 007</b>	<b>7 671</b>	<b>100 817</b>	<b>93 099</b>	<b>87 603</b>
Other operating income	166	67	66	1 942	785	754
Administration cost	-1 648	-1 501	-1 356	-19 307	-17 457	-15 487
Other operating cost	-770	-513	-522	-9 025	-5 966	-5 956
<b>EBITDA</b>	<b>6 352</b>	<b>6 060</b>	<b>5 859</b>	<b>74 427</b>	<b>70 461</b>	<b>66 918</b>
Net realised interest cost & finance expenses	-3 095	-3 624	-2 940	-36 260	-42 139	-33 582
<b>IFPM</b>	<b>3 257</b>	<b>2 436</b>	<b>2 919</b>	<b>38 166</b>	<b>28 322</b>	<b>33 336</b>
Changes in value of investment properties	2 168	3 554	347	25 402	41 323	3 961
Changes in value of financial instruments	-15	-41	-565	-170	-479	-6 449
Realised changes in value of investment properties	-	-	-	-	-	-
Depreciation, amortisation and impairment	-79	-60	-91	-923	-699	-1 035
Net currency exchange differences	-45	29	5	-532	341	58
<b>Profit before tax</b>	<b>5 286</b>	<b>5 918</b>	<b>2 615</b>	<b>61 943</b>	<b>68 808</b>	<b>29 869</b>
Current tax	127	54	176	1 482	626	2 013
Deferred tax	-1 503	-1 213	-255	-17 606	-14 108	-2 913
<b>Profit from continued operations</b>	<b>3 910</b>	<b>4 758</b>	<b>2 537</b>	<b>45 820</b>	<b>55 325</b>	<b>28 969</b>

Net Asset Value (NAV)	31 Dec 2025	31 Dec 2024	31 Dec 2023	31 Dec 2025	31 Dec 2024	31 Dec 2023
	EUR	EUR	EUR	NOK	NOK	NOK
	thousands	thousands	thousands	thousands	thousands	thousands
<b>Equity as recognised in balance sheet</b>	<b>54 677</b>	<b>52 170</b>	<b>40 041</b>	<b>647 537</b>	<b>615 340</b>	<b>450 061</b>
Pr share	6.29	6.01	6.00	74.50	70.83	67.40
Deferred tax according to balance sheet (-)	7 037	5 534	4 317	83 344	65 277	48 518
Equity excluding deferred tax	61 714	57 704	44 358	730 881	680 617	498 579
Deferred tax according to BSP original NAV definition (-)	5 016	4 289	3 390	59 400	50 589	38 109
<b>Net asset value - BSP Method</b>	<b>56 699</b>	<b>53 415</b>	<b>40 967</b>	<b>671 481</b>	<b>630 028</b>	<b>460 470</b>
Pr share	6.52	6.15	6.13	77.25	72.52	68.95

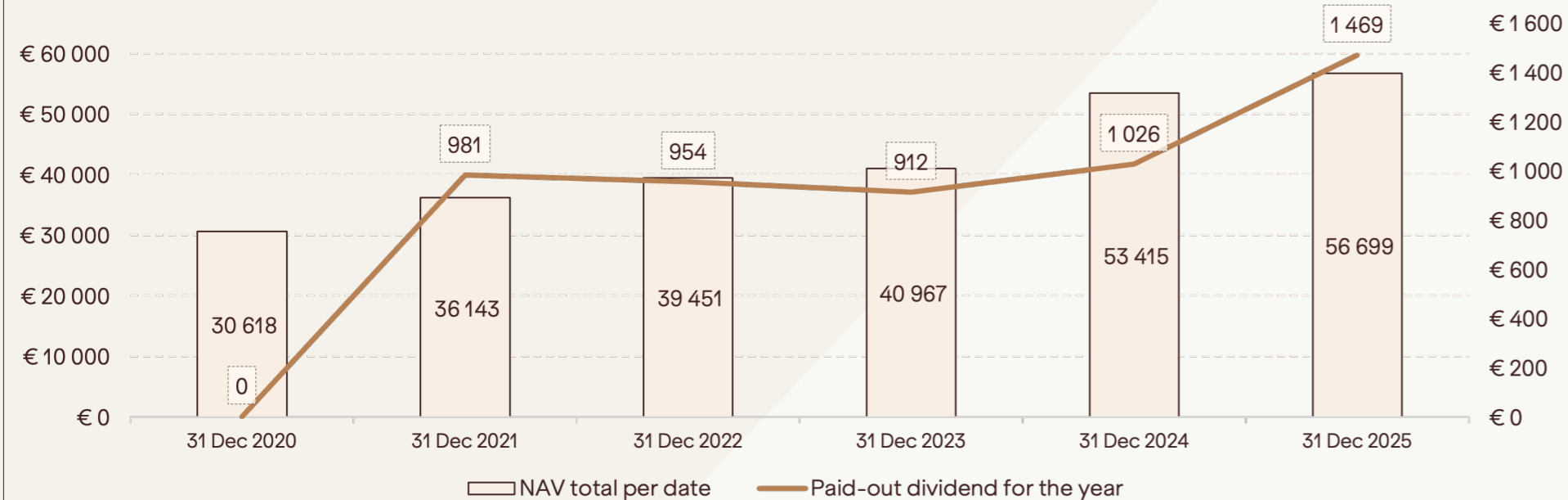
# Terms & Abbreviations

- **Average interest rate** = The average interest rate across the loan portfolio, including the impact of any derivatives.
- **CPI** = Consumer Price Index.
- **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.
- **Triple Net (NNN)** = A lease agreement in which the tenant pays not only rent but also all property expenses, including taxes, insurance, and maintenance
- **WAVULT** = 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 1<sup>st</sup> of January of a given year up to and including the reporting date.

## Key Figures (€ thousands)



## NAV & Dividends (€ thousands)



# Financing

Year-end report 2025

Debt & maturity	Maturity	Amount (EUR)	Share	Base interest rate	Interest margin	Total interest rate
<i>Senior debt - floating rate</i>				<i>3m Euribor</i>		
Bank loans (excl. swap)	4-5 years	58 601 053	92.7%	2.10%	Fixed (weighted) 1.99%	4.09%
Interest rate swap (hedged) <sup>2</sup>	4-5 years	-	-	-	-	-
<b>Total senior debt</b>		<b>58 601 053</b>	<b>92.7%</b>			<b>4.09%</b>
<i>Development project loans</i>						
Liepų Parkas (Building B)	4-5 years	388 879	0.6%	2.10%	1.99%	4.09%
<b>Total development loans</b>		<b>388 879</b>	<b>0.6%</b>			<b>4.09%</b>
<i>Mezzanine debt<sup>3</sup></i>						
Mezzanine	1-3 years	4 221 903	6.7%			9.30%
<b>Total debt</b>		<b>63 211 836</b>	<b>100 %</b>			<b>4.51 %</b>

#### Notes

- Run rate figures, i.e interest is annualised over a 12 month period assuming same EURIBOR and based on a snapshot as at 31/12/2025.
- Subsequent to balance date, the Group entered into a new interest rate swap agreement with a notional principal of EUR 10,000,000, fixed at an interest rate of 2.57% per annum, maturing on 30 May 2030. The new swap brings the Group's total hedged position to approximately 16% of its existing loan exposure.
- The principal of the mezzanine debt is MNOK 50.0. NOK amounts in the table are converted to EUR at exchange rate as at 31/12/2025.

Loan financing	31 Dec 2025	31 Dec 2024	30 Sep 2024
Interest-bearing debt incl. mezzanine debt (MEUR)	63.21	59.50	56.00
LTV incl. mezzanine debt <sup>1</sup>	52.49 %	53.32 %	52.90 %
Interest-bearing debt excl. mezzanine debt (MEUR)	58.99	55.26	51.65
LTV excl. mezzanine debt <sup>1</sup>	48.98 %	49.53 %	48.79 %
12-month running interest margin credit loans excl. mezzanine (margin) <sup>2</sup>	2.04%	2.18%	2.73%
Interest rate hedging ratio <sup>3</sup>	-	3.72%	3.92%
Interest rate coverage (ICR) — group	2.23	1.74	1.74
Interest rate coverage (ICR) — SPV finance <sup>4</sup>	2.72	2.27	2.11
Time until maturity interest-bearing debt (weighted)	4.01 yrs	2.4 yrs	2.64 yrs
Time until maturity interest hedging contracts (weighted)	4.01 yrs	0.3 yrs	0.6 yrs

#### Notes

- LTV in this table does not include cash position.
- Excl. 3-months EURIBOR & swap agreements.
- Adjusting for the interest rate swap agreement entered in early 2026, the interest rate hedging ratio per 31.12.2025 would have been 15.82%.
- Includes all internal management fees

(MEUR)	31 Dec 2025	31 Dec 2024	30 Sep 2024
Interest-bearing debt, total	63.21	59.50	56.00
Interest-bearing debt, bank loan	58.99	55.26	51.65
Interest-bearing debt, mezzanine	4.22	4.23	4.35
Cash	7.38	6.87	6.98
<b>Net LTV, total<sup>1</sup></b>	<b>46.36 %</b>	<b>47.17%</b>	<b>46.63%</b>

1) Net LTV include cash position

BSP Group — ICR	Jan-Dec 2025	Jan-Dec 2024	Jan-Dec 2023
	EUR	EUR	EUR
<b>EBITDA</b>	<b>6 351 814</b>	<b>6 059 796</b>	<b>5 859 400</b>
Interest payable	2 850 349	3 481 225	2 801 125
<b>ICR - group</b>	<b>2.23</b>	<b>1.74</b>	<b>2.09</b>
<b>Net realised interest cost &amp; finance expenses</b>			
Interest on real estate portfolio	2 493 724	3 136 481	2 885 380
SWAP costs	0	-	3 660
SWAP income	-10 074	-92 546	-520 051
Interest mezzanine incl. contract fee	402 512	468 716	220 104
Interest seller's credit	0	27 706	239 301
Interest income	-35 813	-59 132	-27 268
<b>Sum interest expenses</b>	<b>2 850 349</b>	<b>3 481 225</b>	<b>2 801 125</b>

Consolidated SPV-financed entities — ICR	Jan-Dec 2025	Jan-Dec 2024	Jan-Dec 2023
	EUR	EUR	EUR
<b>EBITDA (incl. internal management cost)</b>	<b>6 949 231</b>	<b>6 711 761</b>	<b>6 345 966</b>
Interest payable	2 553 512	2 955 028	2 368 988
<b>ICR - SPV finance</b>	<b>2.72</b>	<b>2.27</b>	<b>2.68</b>
<b>Net realised interest cost &amp; finance expenses</b>			
Interest on real estate portfolio	2 493 724	3 047 574	2 885 380
SWAP costs	0	-	3 660
SWAP income	-10 074	-92 546	-520 051
<b>Sum interest expenses</b>	<b>2 850 349</b>	<b>2 955 028</b>	<b>2 368 988</b>

Loan-to-Value ratio	31 Dec 2025	31 Dec 2024	31 Dec 2023
	EUR	EUR	EUR
Net nominal interest-bearing debt excl. mezzanine loan	58 989 771	55 262 258	53 017 219
Mezzanine	4 221 903	4 239 084	4 448 201
Other credit	-	-	836 100
<b>Net nominal interest-bearing debt incl. mezzanine loan &amp; other credit<sup>1</sup></b>	<b>63 211 675</b>	<b>59 501 342</b>	<b>58 301 520</b>
Valuation of real estate portfolio	120 424 642	111 582 984	99 758 908
<b>Loan to value excl. cash</b>	<b>52.49 %</b>	<b>53.32%</b>	<b>58.44%</b>
Cash	7 384 002	6 866 446	3 637 539
<b>Loan to value incl. cash (Net LTV)</b>	<b>46.36 %</b>	<b>47.17%</b>	<b>54.80%</b>

#### Notes

- 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.

# Annual Statements 2025

## Table of contents

1. Board of Directors & CEO's annual report and declaration
2. Consolidated statement of profit or loss & comprehensive income
3. Consolidated statement of financial position
4. Consolidated statement of changes in equity
5. Consolidated statement of cash flows

### 6. Notes to the consolidated financial statements

Note 1	Accounting Principles
Note 2	Critical accounting estimates and subjective judgement
Note 3	Operating income from contract customers
Note 4	Investment property
Note 5	Employee benefit expenses
Note 6	Other operating assets
Note 7	Operating costs
Note 8	Other administrative costs
Note 9	Finance income and expenses
Note 10	Interest rate swap agreements
Note 11	Tax
Note 12	Earnings per share
Note 13	Lease agreements where the group is the lessee
Note 14	Classification and measurement of financial assets and liabilities
Note 15	Long-term receivables
Note 16	Other receivables and other current assets
Note 17	Cash and bank deposits
Note 18	Share capital and shareholder information
Note 19	Interest bearing liabilities
Note 20	Debt to credit institutions
Note 21	Other short-term debt
Note 22	Financial risk management
Note 23	Subsidiaries
Note 24	Segment information and rental income
Note 25	Reconciliation of liabilities from financing activities
Note 26	Uncertain liabilities
Note 27	Transactions with related parties
Note 28	Geopolitical risks
Note 29	Events after reporting date

### 7. Annual financial statement 2025 for the parent company

### 8. Independent auditor's report



# Annual report 2025

## Year summary

We delivered solid progress in 2025, with rental income and Property Management income both growing strongly on the back of recently completed developments, CPI-indexed rental growth, and a significantly improved financing environment. Net Asset Value increased to NOK 671 million, representing a total annual return of 9.54% (NOK) including dividends distributed in line with our policy.

Portfolio activity centred on optimising existing assets alongside continued development in Liepų Parkas, Klaipėda, where we recently delivered the second of four planned buildings, with construction of the third phase underway, and with advanced leasing across the park. Market conditions continued to stabilise, with yields stabilising or even contracting in some segments and we are seeing that the transaction activity is picking up. Lithuania's economy continues to outperform the broader European average, underpinning long-term demand for quality assets in our markets.

On ESG, we continue to work in a structured manner and have initiated the adoption of the VSME sustainability reporting framework. The Board has also approved a share buyback programme, reflecting confidence in the underlying value of the portfolio. With a disciplined approach to capital allocation and a fully integrated management team, we remain well positioned to deliver sustainable long-term value for our shareholders.

## Nature of business and location

Baltic Sea Properties AS (BSP) is a Norwegian publicly listed real estate company and a leading investor, owner, and developer in the Baltics, owning a portfolio of logistics, industrial, and commercial assets. Our aim is to become the preferred real estate partner and a leading investment company in the region. The company (ticker: BALT) has been listed on Euronext Growth Oslo (formerly known as "Merkur Market") since November 2017.

The management and development of the group's properties are undertaken by our local team, which possesses extensive experience in the Baltic real estate market, through seventeen wholly owned subsidiaries, all registered in Lithuania. In addition to refining the current portfolio, the company is continuously working to enhance the portfolio with new cash flow and development projects that will increase shareholder value and strengthen the company's capacity for dividend distribution.

The group's central head office is located at Tollbugata 8A in Oslo, Norway.

## The Group's Annual Financial Statements

### Accounting Standard

The Group's consolidated annual financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS). Please refer to the financial statements' notes 1 and 2 for more detailed descriptions of the accounting principles applied under IFRS).

### Profit & Loss

The Group's total operating income (excluding adjustments in asset valuations) saw an increase of NOK 10.3 million in 2025, reaching NOK 107.5 million, up from NOK 97.2 million in 2024. Furthermore, the fair value adjustment of investment properties for 2025 amounted to MNOK 25.4 driven by CPI adjustments on rent and profit from development on the first stage of Liepų Parkas.

Of total operating income, NOK 105.6 million, previously NOK 96.4 million, was attributable to rental income. This growth is mainly due to almost a full year of income from the first stage of the Liepų Parkas project. Total operating income increased approximately 9.8% measured in EUR.

The Group's operating expenses increased by NOK 6.6 million in 2025 to NOK 34 million (NOK 27.4 million). (Note 7 and 8).

The Group's net financial items for the year were a net cost of NOK 40.0 million, decreased from NOK 42.3 million in 2024, mainly due to a significant decrease in the group's interest expenses. (Note 9).

As for the year before, a 1 percentage point increase in the Lithuanian corporate income tax rate (increasing from 16 to 17 % on 1st of January 2026) had a significant negative one-time effect on the profit after tax due to the recalculation of deferred tax liabilities. (Note 11).

### Financial Position (Balance Sheet)

The Group's total assets at the end of the year 2025 were NOK 1,552 million. Of this, NOK 1,456 million were investment properties (including NOK 29.4 million in right-of-use assets). (Note 4).

The Group's equity on the balance sheet date was NOK 647.5 million.

Interest-bearing liabilities were NOK 748.6 million. (Notes 19 and 20).

## Real estate portfolio

The Group made no divestments in 2025. In January 2025, we completed the first stage and handed over an office and part warehouse complex (4,340 m<sup>2</sup>) to ESO, a subsidiary of the public listed energy company Ignitis Group. In February 2026, we completed the second stage — a 2,475 m<sup>2</sup> A++ energy-class building — and handed it over to UAB Inchcape Auto for BMW, BMW Motorrad, and BYD showrooms and service.

The third multi-tenant building is currently in advanced stages of construction and is expected to be completed during 2026, with over 65% of space already pre-leased. The fourth building remains at preliminary stage in the development pipeline. Upon full completion, the park is expected to comprise close to 15,000 m<sup>2</sup>.

For investment properties owned at the end of the year (including building D in Liepų Parkas - 2,475 m<sup>2</sup>), the total valuation was NOK 1,426 million. Valuations as of 31.12.2025 have, as usual, been obtained from Newsec Baltics and Ober-Haus Real Estate Advisors. The market value of the group's real estate portfolio increased by NOK 110 million compared to 31.12.2024, mainly driven by profit and investment in Liepų Parkas and CPI adjustment on rent.

## Financing

The group holds a robust financing platform, with Luminor and SEB serving as its primary financing partners at SPV level. Additionally, we strategically leverage mezzanine facilities to improve our capacity for undertaking new projects.

The year before (2024), we successfully raised NOK 98.4 million through a private placement and a subsequent offering. Key investors included UAB Baltic Equity (controlled by our Chairman, James Clarke), Auris AS (controlled by Henrik Austgulen, who was elected to the Board in June), and Arthen Invest AS (controlled by our CEO, Lars Christian Berger), reflecting strong confidence from insiders to our long-term strategy.

## The Parent Company's Annual Financial Statements

### Accounting Standard

The annual financial statements have been prepared in accordance with the accounting laws and follow Norwegian accounting standards and recommendations for good accounting practice, in compliance with the ongoing obligations for companies listed on Euronext Growth Oslo. (Note 1).

## Summary

In 2025, the parent company had operating revenues of NOK 4.7 million, consisting of asset management fees from its own subsidiaries. The parent company's operating expenses for the year were NOK 9.2 million, with the largest item being salary costs of NOK 5.3 million (including board fees, national insurance contributions, pension expenses, etc).

The parent company's net financial items for the year were positive at NOK 3.8 million, of which interest income from subsidiaries and currency gains on group loans contributed the most.

The book value of the parent company's assets was NOK 275.8 as of 31.12.25, of which loans to subsidiaries amounted to NOK 229 million. Assets also included investments in subsidiaries of NOK 10.6 million, trade receivables from subsidiaries of NOK 0.8 million, and bank deposits of NOK 34.3 million. The decrease in asset values from the year prior is mainly due to the year's dividend distribution of NOK 17.4 million.

The parent company's equity decreased by NOK 18 million in 2025, while the parent company's total liabilities remained largely unchanged at NOK 52.0 million (NOK 51.5 million), which mainly were made up of the mezzanine loan. (Note 8)

## Continued Operations

The annual financial statements have been prepared on a going concern basis. The Board's assessment is based on budgets and earnings forecasts for 2026 as well as the Group's strategy. The Group has equity of NOK 647.5 million, profit for the year of NOK 45.8 million after tax, and net cash flow from operating activities of NOK 79.8 million.

The Board and management consider the assumptions for continued operations to be sound.

## Research and Development

The Group was not involved in research or development activities (R&D) in 2025.

## Events after the balance sheet date

### Liepų Parkas

In February 2026, we completed the second stage of Liepų Parkas — a 2,475 m<sup>2</sup> A++ energy-class building — and handed it over to UAB Inchcape Auto for BMW, BMW Motorrad, and BYD showrooms and service.

The third multi-tenant building is currently in advanced stages of construction and is expected to be completed during 2026, with over 65% of space already pre-leased. The fourth building remains at preliminary stage in the development pipeline. Upon full completion, the park is expected to comprise close to 15,000 m<sup>2</sup>.

### Share buy-back program

In February 2026, the Board of Directors has resolved to initiate a share buyback programme for the repurchase of the Company's own shares for up to NOK 5 million. The decision was made pursuant to item 12 of the resolutions adopted by the General Meeting on 15th of May 2025 and announced in a stock market announcement on 27th of February 2026 (NewsWeb message ID 667068).

### New interest rate swap agreement

Subsequent to balance date, the Group entered into a new interest rate swap agreement with a notional principal of EUR 10,000,000, fixed at an interest rate of 2.57% per annum, maturing on 30 May 2030. The underlying loan exposure is non-amortising in nature, and the new swap brings the Group's total hedged position to approximately 16% of its existing loan exposure.

The decision to enter into this arrangement reflects the Group's commitment to prudent financial risk management. The Group regularly reviews its hedging position as an integral part of its ongoing risk management framework, ensuring that its exposure to interest rate movements is assessed and managed on a continuous basis. Given the heightened volatility currently observed in global interest rate markets, management considered it appropriate to incrementally increase the proportion of fixed-rate hedging in order to reduce the Group's sensitivity to adverse rate movements and provide greater certainty over future financing costs.

## Financial Risk Management

The Group is exposed to financial risk through variations in interest rates and exchange rates. The Company is also dependent on access to financing in the banking and capital markets. The risk of losses on receivables is also closely monitored because of the geopolitical risks, market turbulence and its effect on the Baltic states and

the global economy.

### Capital Management

Capital management focuses on the optimal balance between equity and debt in a company's capital structure. It aims to maximise shareholder value and ensure long-term financial stability by minimising the cost of capital and maintaining an appropriate level of financial flexibility for its operations.

Currently the board has set a target on its investment and company strategy to not go over 60 % loan-to-value and maintain a minimum 12-month interest coverage liquidity buffer. At the date of this report, the loan to value ratio for the group's real estate portfolio is 47.2 % and including the group leverage positions 53.3% (excluding cash reserves). The group's total cash position was MNOK 87.4 per 31.12.2025, which is considered in line with the strategy on cash reserves of minimum 12-month interest coverage but also leaves room for new investments.

The Group is exposed to financial risk and has defined the following relevant risk areas:

#### Credit risk

Credit risk is assessed at group level and is mainly linked to the risk of incurring losses as a result of tenants not paying the agreed rent. Rent payment is normally secured with a rent deposit or payment guarantees from banks or guaranteed by parent companies, usually with a high credit rating. In recent years, the group has had relatively low losses on rental claims, and the risk that the group will incur significant losses because of bankruptcies among tenants, is considered moderate. Realised losses have not increased significantly since the Covid-19 pandemic or Russia's invasion of Ukraine, and the group considers that the rental income achieved in the financial year indicate that tenants' capacity to withhold its lease obligations will be maintained. In recent years, rental losses have accounted for less than 0.1 % of the group's rental income.

(Please refer to note 20 for maturity analysis related to the group's debt and other payables.)

#### Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the financial liabilities when they are due. The liquidity risk is mitigated by having adequate cash/liquidity reserves, a moderate loan-to-value ratio and long-term loan agreements. The liquidity reserve consists of liquid current assets and unused long-term credit lines in larger financial institutions. The board has set targets for the group's liquidity reserves which will both ensure financial freedom of action to be able to exploit investment opportunities quickly, and to contribute to significantly reducing the financial risk. The liquidity risk linked to the refinancing of the group's debt is mitigated by balancing the refinancing need within the next period in relation to the group's liquidity reserve.

There are financial covenant requirements (loan conditions) in all of the group's bank loan agreements related to equity share, debt service cost coverage ratio and loan-to-

value ratio. The group has fulfilled all requirements in the loan agreements in the financial year. The group has a relatively good margin in relation to the defined covenant requirements, and the risk of breach of these requirements is considered to be moderate to low for the next 12 months. The group has assessed that there is a low probability that the current market turbulence will affect the group's ability to service its financial liabilities in the next 12 months.

Optimisation of the Company's short-term and long-term financing is a natural part of the Company's daily operations, and the Company makes ongoing strategic assessments in this connection, which may include the sale of assets, refinancing of existing loans, bond financing, M&A, and/or raising capital from the Company's shareholders or external investors to ensure continued operations.

#### Currency risk

The Group is also exposed to currency risk against NOK, as the Group's investments, revenues, and the majority of costs are in euros. All properties are financed through debt in euros, collectively forming a natural hedge for part of the currency risk. The remaining exposure is not hedged by the Group, in line with the company's strategy to allow investments in Baltic Sea Properties to also include a euro exposure for the investor.

(Please refer to note 4 for currency sensitivity analysis.)

#### Interest rate risk

Changes in interest rates can have a significant impact on the value of real estate assets, the cost of financing, and the ability of real estate companies to generate income. The risk associated with unpredictable cost of financing, can be mitigated by having a portion of long-term fixed interest rates in the financing mix.

The board closely discuss targets for the share of fixed interest depending on the cost at the time. Interest positions and interest profiles are reported to the board on a regular basis.

(Please refer to note 22 for interest sensitivity analysis.)







### Risk factors and risk management

Risk management is crucial in identifying, assessing, and mitigating potential risks associated with operations of the group. It ensures that risks are proactively addressed to safeguard the financial, legal, and operational well-being of the investment portfolio, the employees, the environment, shareholders, and stakeholders.

We update our risk management policy continuously whereas we are focusing on a structured framework to manage risks across our organisation and in our project and property management. The following tables describe some of the most influential risks we are monitoring on a regular basis.

Risk Area	Risk Description	Risk level	Comments/Action
Geopolitical and Political Risk	The continued war in Ukraine and broader geopolitical tensions between Russia and Western countries create uncertainty in the Baltic region. Sanctions on Russia and Belarus have structurally changed regional trade flows and logistics patterns, which may affect valuations, inflation and interest rates, and indirectly some tenants operating in transit, logistics or manufacturing sectors. In addition, changes in global trade policy, including tariffs or protectionist measures between major economies, may influence global supply chains and logistics demand. These developments could affect tenant activity, cargo flows and economic growth in the Baltic region.	High 	The Baltic states are members of NATO and the EU, providing strong political and institutional alignment with Western partners. Regional governments have increased defence spending and strengthened regional cooperation in response to the security environment. BSP Group maintains a diversified tenant base and close dialogue with tenants to monitor developments affecting logistics flows and industrial activity.
Macroeconomic and Energy Market Risk	Economic growth, inflation levels, interest rate developments and energy prices influence us directly, and indirectly via tenants' operating conditions and the Group's financing costs. Periods of elevated inflation and higher interest rates may increase tenant costs and affect real estate investment markets and asset valuations. Global energy markets remain sensitive to geopolitical developments and supply disruptions. Recent escalation of tensions in the Middle East, including U.S.-led strikes on Iranian targets and subsequent regional responses, has increased instability in the Persian Gulf and disrupted shipping activity in the Strait of Hormuz, a key global energy transit route. Any prolonged disruption to energy supply could lead to higher energy prices globally, contributing to renewed inflationary pressure, tighter financial conditions and increased operating costs for businesses.	High 	BSP Group operates with a disciplined financial strategy, including a conservative maximum Loan-to-Value (LTV) ratio of 60%. The Group benefits from a diversified tenant base and a weighted average unexpired lease term (WAULT) of approximately 9 years, supporting stable rental income. The Baltic states have also reduced reliance on Russian energy systems and synchronised their electricity grids with the continental European network (ENTSO-E), improving long-term energy security. BSP monitors developments in economic conditions and energy markets and maintains close dialogue with tenants regarding potential cost developments.
Social and Demographic Trends	Demographics and social changes with rising cost of living Implications on employees, people, business, and real estate requirements.	Moderate 	The cost of living has increased dramatically in recent years. BSP Group currently has 17 employees, with many others indirectly via suppliers and construction companies. BSP Group is continually developing and updating its Social Responsibility & Human Resources Policies - with a focus on long term stakeholder and employee relationships. Management monitors demographics and social changes and consider future real-estate demand requirements for each segment while making investment decisions.
Crisis Management	Unpredictable Events Such as accidents, terrorist attacks, acts of war, riots, civil unrest, pandemic diseases, and other similarly unpredictable events may influence us directly, and indirectly via tenants' operating conditions.	High 	BSP Group maintains and continually develops crisis management plans to mitigate the risks created by unpredictable events. The Group's resilience has been strengthened by the experience of navigating a series of external disruptions in recent years, and these plans are regularly reviewed to address evolving risks.  The security environment requires particular attention. There is an increased risk from Russian sabotage, hybrid threats and aggression in the region. BSP Group monitors regional security developments closely and coordinates with relevant authorities and partners as appropriate.
Currency	EUR and NOK Currency exchange fluctuations.	Moderate 	BSP Group is predominately a Euro currency business with all income in Euro and most of the group costs in Euro (smaller overhead costs in Oslo are in NOK).  BSP Group assets are based in Euro area, valued in Euro and financed through almost all debt in Euro, collectively forming a natural hedge for most of the currency risk. The return exposure in Euro is not hedged by BSP Group - in line with BSP Group's strategy to have a Euro exposure for the investor.
Human Resources	Competence & Responsibility Directors & employees are responsible to respect the values of BSP Group and must have adequate competence to help create & execute its strategy in the interests of all stakeholders.  Code of Conduct BSP's reputation and business can be severely damaged by corruption, insider trading, bribery, gross negligence, and personnel acting irresponsibly.	Moderate 	BSP Group core values include commitment, innovation, respect, accountability & integrity.  BSP Group is continually developing its Human Resources Policy to hire and retain good people, to provide effective organisation, to develop competences, to structure communications in order to protect the interests of the shareholders and other stakeholders.  BSP Group as a responsible employer, ensuring that the company's employees have an attractive and respectable remuneration package including investing in professional development, and rewarding excellence.  BSP Group has strict Code of Conduct policy with high standard of integrity and a zero-tolerance policy for all breaches including corruption and financial crimes. Enhanced measures are detailed in the Risk Management Policy.
Technological	Automation & new Technology Changing consumer preferences and trade cause implications for real estate sectors, locations, and assets.	Moderate 	AI and automation are increasing pace. BSP Group is continually developing its Research, Development, and Innovation Strategy to learn, understand, and harness the opportunities of the changes which effects BSP Group's external environment and the commercial real estate sector. Management considers the long-term flexibility of BSP Group's projects and the sustainability of each of BSP Group's tenants' business, while making investment decisions.
Environmental	Sustainability Regulations & Expectations Sustainability initiatives/expectations with increased regulations and associated costs. Changing tenant requirements and adaptability of real estate.	Moderate 	Environmental-related legislation is increasing. BSP Group is continually developing and updating its Environmental Responsibility Policy, while expanding and incorporating new reporting methods as well as implementing sustainability initiatives in existing and new projects. Existing projects have been or are being BREEAM rated, while all new projects are designed according to reaching BREEAM standards, also with renewable energy possibilities - depending on tenant's requirements. BSP Group also work towards implementing the VSME standard for sustainability reporting, following a careful assessment of its implications — including the potential need for additional internal resources and/or external advisory and audit to ensure compliance.

Risk Area	Risk Description	Risk level	Comments/Action
Legal and Tax	<p><b>Changing Legislation</b> External factors can create potential changes in laws and regulation.</p> <p><b>Disputes</b> Disputes, legal costs and potential damages</p>	Moderate 	<p>Environmental related initiatives drive new legislation. BSP Group considers and maintains awareness of potential changes in legislation. Engagement of professional partners helps develop mitigation measures.</p> <p>BSP Group focuses on having well prepared agreements (preferably with long term partners), while also proactively assessing and addressing agreement performance to reduce possible disputes and litigations.</p>
Corporate Governance	<p><b>Compliance, Responsibility and Transparency</b> Fundamental to ensure stakeholders interests are protected.</p>	Moderate 	<p>Stakeholder requirements for good corporate governance is fundamental and increasing. BSP Group complies with provisions of the Private Companies Act, the Securities Trading Act, the MAR, and the Stock Listing Rules. BSP Group complies with all local subsidiary company laws and all articles of association. BSP is continually developing its Corporate Governance Policy, also in adherence with NUES / NCCG. Responsibility is provided by multiple layers including the shareholders (GM), committees, the Board of Directors, the CEO, the MDs, and employees. Developing and monitoring internal control measures and updating internal policies is a continual process and are comprehensively detailed in the Risk Management Policy.</p>
Insider Trading	<p><b>Illegal Trading</b> Distorts prices, erodes confidence, and damages BSP Group's reputation</p>	Moderate 	<p>BSP Group is a public company, subject to Norwegian law, the Private Companies Act, the Securities Trading Act, the MAR, and the Stock Listing Rules, which provides legislation against insider trading. BSP Group complies with its comprehensive Insider Trading Policy, which provides a framework for procedures to ensure that all Inside Information is treated correctly, communicated to the management, and made public when needed. The purpose of the Insider Trading Policy is also to ensure that Inside Information is not misused by Insiders and that these are made aware of the possible consequences of such misuse.</p>
Real Estate Market	<p><b>Market Sentiment/Uncertainty</b> External factors have implications on liquidity, valuations, and finance - creating challenges and opportunities.</p>	Moderate 	<p>The Baltic real estate market remains relatively resilient despite economic uncertainty, and geopolitical risks. BSP Group continues its long-term grow-and-hold strategy, focusing on acquisitions, developments, and joint ventures in strategic sectors.</p> <p>While industrial and logistics assets perform well, some tenants face increased uncertainty due to volatility in global supply chains and potentially lower economic growth (non domestic), increasing the risk of rent payment delays despite contractual protections. BSP Group actively monitors tenant risk and maintains a diversified, long-term tenant mix to mitigate potential disruptions.</p>
Real Estate Portfolio	<p><b>Segment Performance &amp; Diversification</b> Real estate sectors affected by market changes - transit logistic refocus, Industrial regionalisation, E-commerce expansion &amp; remote working trends.</p>	Moderate 	<p>BSP Group has a long-term focus to sustain a growing, high-quality, and balanced investment portfolio with at least 2/3 Industrial &amp; Logistics portfolio - providing 1/3 allocation to other opportunities. By continually researching and developing its business and investment strategies, BSP Group balances its portfolio across sectors and harnesses opportunities in attractive sectors.</p>
Real Estate Assets	<p><b>Attractiveness and Sustainability</b> Importance of quality, long term functional flexibility, and sustainability in buildings/parks.</p>	Moderate 	<p>Increased awareness from tenants on value of services, sustainability and not only space &amp; price. BSP Group has a value &amp; sustainability investing approach - acquiring quality assets, locations with sustainable income. BSP Group considers the life cycle sustainability, functionality, and flexibility of each investment &amp; development project. Each project has an annual upgrade CAPEX or sinking fund budget, with a focus on balancing long-term depreciation upgrades and improving attractiveness.</p>
Real Estate Valuations	<p><b>Economic &amp; Market Cycle</b> Discount rates, yields and rent inflation impacts valuations.</p>	Moderate 	<p>While real estate yields experienced upward pressure in recent years, transaction market activity is improving, indicating stabilising and in some segments contracting yields, particularly for medium-sized transactions. Rent indexation has offset part of the valuation impact from higher yields, and inflation remaining above the Eurozone average continues to support income growth and yield stabilisation. BSP Group applies a conservative valuation framework using two independent external valuers. The Group's stable portfolio, long-term leases and strong tenants further support resilient property values.</p>
Real Estate Development	<p><b>Project Management</b> Project procurement and partner risks for the entire project development scope, including controls on safety, cost, time, and quality of the projects.</p>	Moderate 	<p>BSP Group develops projects based on preleased agreements and avoids unnecessary speculation projects. Construction activity has slowed in the Baltics; however, optimism remains, especially in certain sectors and works continue. BSP Group has an established project management framework and clear responsibilities for management of each part of the project – concept / marketing &amp; land; design &amp; planning and construction / renovation stages. BSP generally engages general contractors for fixed price contracts, thus having fewer partners and risks to manage in the process. BSP Group is careful not to concentrate development risk, therefore the investment strategy limits that &lt;35% of BSP Group equity is dedicated to development projects.</p>

Risk Area	Risk Description	Risk level	Comments/Action
Suppliers / Contractors	<p><b>Inflation and competition</b> Inflationary pressure, supply chain disruptions, and competition among contractors may increase development and operational costs.</p>	Moderate 	<p>BSP Group works with a broad network of suppliers including financial institutions, development contractors, professional consultants, real estate service providers and utility suppliers. The Group maintains long-term partnerships and applies structured supplier relationship management to ensure operational reliability and cost control. BSP continuously develops its Supplier Relationship Policies to ensure that partners follow strong operational, safety and compliance standards. Compliance with the Norwegian Transparency Act (Åpenhetsloven) is a key focus area. BSP performs supply chain due diligence and works to ensure that suppliers comply with human rights, labour standards and ethical sourcing requirements.</p>
Clients / Tenants	<p><b>Tenant stability and leasing demand</b> Tenant profitability may be affected by inflation, tariffs and potential global economic slowdown. This may affect rent payment capacity and leasing demand in new development projects.</p>	Moderate 	<p>BSP Group tenants are currently performing well with minimal delays in rent payments. While the outlook remains stable, certain sectors may face increased uncertainty due to volatility in global supply chains and potentially lower economic growth (non domestic). BSP maintains a long-term tenant partnership approach and actively monitors tenant credit risk. Maintaining long-term leases with strong tenants remains a core strategy. BSP continuously evaluates leasing alternatives, market rent levels and project attractiveness to support sustainable occupancy levels. Most new developments are built-to-suit projects, reducing leasing risk.</p>
Vacancy	<p><b>Income Sustainability</b> Vacancies created by tenant defaults or lease renewal can reduce the net operating income.</p>	Moderate 	<p>BSP Group currently has minimal vacancy and forecasts a stable outlook for its portfolio, with some contingencies. The only exception is the Vilnius East Terminal, which has vacancy from 1st of January 2026. However, management is actively engaged in leasing efforts and anticipates that the park will be fully leased by the end of 2026.</p> <p>With a relatively long-term WAULT of over eight years, BSP Group is well-positioned to mitigate risks associated with tenant turnover and potential vacancies. Maintaining strong Tenant Relationship Management policies and proactive project marketing remain key elements of the company's risk mitigation strategy.</p>
Finance	<p><b>Capital Management</b> Importance of maintaining a prudent balance between equity and debt in a company's capital structure and maintaining long-term finance agreements.</p>	Moderate 	<p>BSP Group maintains a group loan-to-value ratio of less than 60% in compliance with its Corporate and Investment Strategy. BSP Group also maintains a minimum 12-months' bank interest coverage buffer. BSP Group has an established long-term partnership of over 20 years with its main banking partners - SEB &amp; Luminor; however actively discusses co-operation with other players in the region and considers future finance trends and opportunities. BSP Group has developed solid relationships with mezzanine finance providers mostly for development bridge finance. BSP is actively renewing and extending finance terms with partners.</p>
Interest rates	<p><b>Euribor</b> Elevated interest base rates can have a significant impact on financing costs for projects and thus reduce profitability and may affect finance agreement covenants and solvency.</p> <p><b>Interest Margins</b> Bank margins on new loans remain a key factor influencing financing costs.</p>	High 	<p><b>Euribor:</b> BSP Group's bank financing costs are linked to Euribor base rates, with a portion fixed and the majority variable. Interest rates in the euro area remain higher than in the previous low-rate environment, although market expectations indicate a more stable interest rate outlook compared to the sharp increases experienced in recent years.</p> <p>BSP Group continues to refine its Finance Policy, including its interest hedging strategy, ensuring an optimal balance between fixed and variable interest costs.</p> <p>Interest rate positions, covenant compliance and financing profiles are reviewed regularly and reported to the Board.</p> <p><b>Margins:</b> BSP Group has term finance agreements with its financial partners and with fixed margins. While agreeing extensions of terms and discussing new project financing, BSP Group has been able to maintain attractive interest rate margins. It is expected that, within the current competitive banking environment, margin levels will remain relatively stable for new loan agreements.</p>
Liquidity & Solvency	<p><b>Liquidity and financial resilience</b> Adequate liquidity is required to meet short-term obligations, while solvency ensures the Group's ability to meet long-term debt commitments and continue operations.</p>	Moderate 	<p>BSP Group mitigates liquidity risk through adequate cash reserves, stable contractual rental income and access to committed financing facilities. The Group maintains moderate leverage and relatively long-term loan agreements. Management regularly stress-tests financial projections against covenant requirements and financial obligations to ensure sufficient financial resilience under different market scenarios.</p>

## Environmental Reporting

The construction and real estate sector affect the environment and climate both directly and indirectly. The areas with the greatest direct impact are the development of the buildings themselves and energy consumption throughout the building's lifespan. In addition, the environment is indirectly affected by our tenants' water consumption and waste production, among other things. More than 60% of our tenants are involved in logistics operations, and goods are transported to and from warehouse buildings by road transport.

Throughout 2025, management has continued the process of developing the group's environmental strategy and have initiated the adoption of the VSME sustainability reporting framework with 2025 as its baseline year.

## Corporate Strategy

Our vision: *To be the preferred real estate partner and leading investment company in the region.*

Our mission: *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.*

## Working Environment, Personnel, and Equality

The Board of Directors consists of three people, all of whom are men. As of today, the group has 17 employees, consisting of 9 women and 8 men. The group strives to avoid discrimination based on ethnicity and orientation.

No injuries or accidents were reported in 2025.

## Transactions with Related Parties

During 2024 and 2025, certain Group entities engaged UAB "Baltijos maitinimo paslaugos" (BMP) — a company directed by Marina Clarke, spouse of James Clarke (Chairman of the Board, majority shareholder & CIO in Baltic Sea Properties) — for marketing services and catering &

event services. Total fees paid to BMP amounted to EUR 15,563 (NOK 180,960) in 2024 and EUR 22,309 (NOK 261,403) in 2025. All the transactions have been carried out as part of the ordinary operations and at arms-length prices. (Please refer to Note 27.)

## Directors and Officers Insurance

Baltic Sea Properties AS has a Directors and Officers insurance policy with an annual total liability limit of NOK 50 million. The insurance covers the Board's legal liability for financial loss arising from the exercise of their directorial duties, as well as associated legal costs. The insurance also covers the boards of the group's subsidiary companies (where Baltic Sea Properties directly or indirectly owns at least 50% of the shares) and employees who represent Baltic Sea Properties in external directorial roles.

## Future development

As of the date of the Board's annual report, it is expected that more than 75 % of the Group's rental income in 2026 will be from the logistics and industrial segment, according to signed lease agreements.

- We continue to develop our portfolio, committed to delivering high-quality facilities tailored to our clients' needs. In our Liepų Parkas in Klaipėda, the third multi-tenant building is currently in advanced stages of construction and is expected to be completed during 2026, with over 65% of space already pre-leased. The fourth building remains at preliminary stage in the development pipeline. Upon full completion, the park is expected to comprise close to 15,000 m<sup>2</sup>. We will continue to focus on strengthening our development pipeline and ensuring long-term value creation in the years ahead.
- The Group's operations are shaped by regional and macroeconomic conditions, with the interest rate environment remaining a key factor. While borrowing costs have moderated somewhat, they remain elevated compared to pre-2022 levels. As of 31.12.2025, the Group's net LTV under IFRS stood at 46.36% (including the mezzanine loan), reflecting a solid capital structure that provides resilience in the current market. We maintain a moderate debt level, ensuring good solvency and the ability to navigate potential fluctuations in financing costs.
- Baltic Sea Properties continues to develop its sustainability strategy with the aim of turning increasing requirements into a competitive advantage, including by making significant investments that will reduce the portfolio's carbon footprint and assist our tenants in their green transition. As part of this strategy, the Group continuously evaluates investments in the

existing property portfolio to maintain/increase the properties' attractiveness and/or strengthen tenants' prospects for stable and long-term operations.

Investments in maintenance and standard upgrades are mainly borne by the tenant, either in the form of their contractual obligations or through increases in the agreed rental price. However, Baltic Sea Properties sees value in covering such expenses in certain cases to secure future cash flow and maintain a good relationship with the tenant. In addition to implementation of the EU Taxonomy/"Green Deal", real estate owners need to assess its need for improving energy efficiency in their buildings.

- Our fundamental approach to real estate management and development, supported by a strong capital structure, positions us to navigate market cycles effectively. We remain a key player in our sector, and are optimistic about our future opportunities in development, new acquisitions, and asset management of our existing portfolio.

## Transparency Act reporting

As part of our work on human rights and decent working conditions, we carry out regular due diligence assessments to identify, prevent and limit actual and potential negative impacts from our operations and supply chain. These due diligence assessments are based on the OECD guidelines in the Factlines system. We give priority to following up risks of negative consequences based on The Norwegian Agency for Public and Financial Management's high-risk list, which take into account both the severity of the consequences for those affected and the likelihood of negative impact.

Information regarding the results of these due diligence assessments are published on our website ([balticsea.no/about/#responsibility](http://balticsea.no/about/#responsibility)) on an ongoing basis and the next planned statement will be published by 30th of June 2026.

## Declaration

The undersigned declare that to the best of their knowledge, the annual accounts for Baltic Sea Properties AS have been prepared in accordance with applicable accounting standards, and that the information in the accounts provides a true and fair view of the company's and the group's assets, liabilities, financial position, and overall result as of 31<sup>st</sup> December 2025.

The undersigned further declare that to the best of their knowledge, the annual report for Baltic Sea Properties AS provides a true and fair overview of the development, results, and position of the company and the group as of 31<sup>st</sup> December 2025.

## Allocation of the result for the year – Parent Company (in accordance with Norwegian accounting standards)

The Board proposes the following allocation of the parent company's result for 2025:

Dividend:	NOK	17 383 702 <sup>1</sup>
Transfer to/from retained earnings (equity):	NOK	-18 120 410
<b>Result for the year:</b>	<b>NOK</b>	<b>-736 708</b>

<sup>1</sup> NOK 17 383 702 (NOK 2.00 per share) was distributed as dividend in May 2025, in accordance with the decision of the AGM held on the 15<sup>th</sup> of May 2025.

Oslo, the 15<sup>th</sup> of April 2026



James Andrew Clarke  
Chairman of the Board

Lars Christian Berger  
CEO

Henrik Austgulen  
Board Member

John David Mosvold  
Board Member



# Consolidated financial statements

Year-end report 2025

## Consolidated Profit or Loss

Amounts in NOK thousand

For the period	Note	Jan-Dec 2025	Jan-Dec 2024	Jan-Dec 2023
Rental income	3	105 602	96 413	91 286
Change in fair value of investment properties	4	25 402	41 323	3 961
Other income	3	1 942	785	754
<b>Total operating income</b>		<b>132 946</b>	<b>138 521</b>	<b>96 001</b>
Payroll and related costs	5	19 307	17 457	15 487
Depreciation, amortisation and impairment	6	923	699	1 035
Other operating expenses	7, 8	13 810	9 280	9 639
<b>Total operating expenses</b>		<b>34 040</b>	<b>27 436</b>	<b>26 162</b>
<b>Operating profit</b>		<b>98 906</b>	<b>111 085</b>	<b>69 840</b>
Change in fair value of financial instruments	9, 10	-170	-479	-6 449
Financial income	9	420	688	311
Financial expenses	9	-36 680	-42 827	-33 892
Net currency exchange differences	9	-532	341	58
<b>Net financial income (cost)</b>		<b>-36 963</b>	<b>-42 276</b>	<b>-39 972</b>
<b>Profit before income tax</b>		<b>61 943</b>	<b>68 809</b>	<b>29 868</b>
Income taxes	11	16 123	13 482	900
<b>Profit for the period</b>		<b>45 820</b>	<b>55 325</b>	<b>28 968</b>

Earnings per share	Note	Jan-Dec 2025	Jan-Dec 2024	Jan-Dec 2023
Basic	12	5.3	6.4	4.3
Diluted	12	5.3	6.4	4.3

Profit is attributable to:	Jan-Dec 2025	Jan-Dec 2024	Jan-Dec 2023
Owners of Baltic Sea Properties group	45 820	55 325	28 968
Non-controlling interests	-	-	-

## Consolidated statement of comprehensive income

Amounts in NOK thousand

For the period	Jan-Dec 2025	Jan-Dec 2024	Jan-Dec 2023
<b>Profit for the period</b>	<b>45 820</b>	<b>55 325</b>	<b>28 968</b>
<b>Other comprehensive income that may be reclassified to profit or loss in subsequent periods</b>			
Foreign currency translation differences	3 631	26 202	26 008
	<b>3 631</b>	<b>26 202</b>	<b>26 008</b>
<b>Total comprehensive income for the period</b>	<b>49 450</b>	<b>81 528</b>	<b>54 977</b>
<b>Total comprehensive income is attributable to:</b>			
- Owners of Baltic Sea Properties group	49 450	81 528	54 977
- Non-controlling interests	-	-	-
	<b>49 450</b>	<b>81 528</b>	<b>54 977</b>

## Consolidated Financial Position

Amounts in NOK thousand

For the period that ended on	Note	31 Dec 2025	31 Dec 2024	31 Dec 2023
<b>Assets</b>				
Investment property	4	1 455 590	1 345 746	1 150 216
Other operating assets	6	1 203	1 654	1 631
Right-of-use assets	13	-	-	133
Financial derivatives, non-current	14	-	-	412
Long-term receivables	14, 15	151	2 509	2 391
<b>Total non-current assets</b>		<b>1 456 945</b>	<b>1 349 911</b>	<b>1 154 784</b>
Trade receivables	14	5 226	3 271	3 209
Financial derivatives, current	14	-	171	214
Other receivables and other current assets	16	2 516	2 087	3 089
Cash and cash equivalents	14, 17	87 449	80 990	40 888
<b>Total current assets</b>		<b>95 191</b>	<b>86 519</b>	<b>47 400</b>
<b>Total assets</b>		<b>1 552 135</b>	<b>1 436 429</b>	<b>1 202 184</b>

### 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. 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.

For the period that ended on	Note	31 Dec 2025	31 Dec 2024	31 Dec 2023
<b>Equity</b>				
Share capital	18	870	870	669
Share premium		214 031	214 031	118 788
Treasury shares		-1	-1	-1
<b>Total paid-in equity</b>		<b>214 900</b>	<b>214 900</b>	<b>119 456</b>
Retained earnings		432 637	400 440	330 605
<b>Total equity</b>		<b>647 537</b>	<b>615 340</b>	<b>450 061</b>
<b>Liabilities</b>				
Deferred tax liabilities	11	83 344	65 277	48 518
Interest-bearing liabilities	19, 20, 25	720 248	657 058	616 955
Lease liabilities, non-current	13	30 402	30 381	29 051
<b>Total non-current liabilities</b>		<b>833 994</b>	<b>752 716</b>	<b>694 523</b>
Lease liabilities, current	13	104	103	232
Interest-bearing liabilities, current	19, 20, 25	28 368	30 433	37 460
Trade payables	14	17 050	14 171	3 237
Other current liabilities	14, 21	25 082	23 665	16 671
<b>Total current liabilities</b>		<b>70 604</b>	<b>68 372</b>	<b>57 600</b>
<b>Total equity and liabilities</b>		<b>1 552 135</b>	<b>1 436 429</b>	<b>1 202 184</b>

Oslo, the 15<sup>th</sup> of April 2026



James Andrew Clarke  
Chairman of the Board



Henrik Austgulen  
Board Member



John David Mosvold  
Board Member



Lars Christian Berger  
CEO

**Changes in Consolidated Equity**

Amounts in NOK thousand

Attributable to owners of Baltic Sea Properties AS							
	Share capital	Share premium reserve	Treasury shares	Retained earnings	Total	Non-controlling interests	Total equity
<b>Equity at 1 January 2024</b>	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
<b>Total comprehensive income in the period</b>	<b>201</b>	<b>95 243</b>	<b>-</b>	<b>81 527</b>	<b>81 527</b>	<b>-</b>	<b>81 527</b>
<b>Transactions with owners of the company:</b>							
Transactions with non-controlling interests	-	-	-	-	-	-	-
Dividends paid	-	-	-	-11 692	-11 692	-	-11 692
<b>Equity at 31 December 2024</b>	<b>870</b>	<b>214 031</b>	<b>-1</b>	<b>400 440</b>	<b>519 896</b>	<b>-</b>	<b>615 341</b>
	Share capital	Share premium reserve	Treasury shares	Retained earnings	Total	Non-controlling interests	Total equity
<b>Equity at 1 January 2025</b>	870	214 031	(1)	400 440	615 340	-	615 340
Net profit for the period	-	-	-	45 820	45 820	-	45 820
Capital increase	-	-	-	-	-	-	-
Share based payments	-	-	-	130	130	-	130
Other comprehensive income for the period	-	-	-	3 631	3 631	-	3 631
<b>Total comprehensive income in the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>49 450</b>	<b>49 450</b>	<b>-</b>	<b>49 450</b>
<b>Transactions with owners of the company:</b>							
Transactions with non-controlling interests	-	-	-	-	-	-	-
Dividends paid	-	-	-	-17 384	-17 384	-	-17 384
<b>Equity at 31 December 2025</b>	<b>870</b>	<b>214 031</b>	<b>(1)</b>	<b>432 637</b>	<b>647 537</b>	<b>-</b>	<b>647 537</b>

**Consolidated Cash Flows**

Amounts in NOK thousand

	Note	Jan-Dec 2025	Jan-Dec 2024	Jan-Dec 2023
<b>Profit for the period before tax</b>		<b>61 943</b>	<b>68 808</b>	<b>29 868</b>
<i>Adjustments for:</i>				
Changes in value of investment properties	4	-25 402	-41 323	-3 961
Depreciation, amortisation and impairment	4	923	699	1 035
Changes in fair value of derivatives	9, 10	170	479	6 449
Financial income	9	-420	-688	-311
Financial expenses	9	36 680	42 827	33 892
Net currency exchange differences	9	532	-	-
Changes in trade receivables & payables	14, 21	1 981	11 684	-3 456
Changes in other accruals	14, 21	1 955	-1 016	3 630
Taxes paid	11	-	-	-362
Taxes refunded	11	1 482	835	-
<b>Net cash flows from operating activities</b>		<b>79 845</b>	<b>82 306</b>	<b>66 785</b>
Investments in investment property	4	-78 648	-93 164	-29 280
Investments in property, plant and equipment	4	-511	-3 059	-2 259
Interest received		420	688	311
<b>Net cash flows from investing activities</b>		<b>-78 740</b>	<b>-95 535</b>	<b>-31 228</b>
Proceeds from interest-bearing debt	19, 20, 25	81 870	42 204	64 260
Repayment of interest-bearing debt	19, 20, 25	-21 769	-38 328	-53 993
Repayments of lease liabilities	19, 20	-904	-1 055	-291
Dividends paid to company's shareholders		-17 384	-11 692	-10 595
Capital increase		130	95 444	-
Interest paid		-36 438	-35 410	-38 110
<b>Net cash flows from financing activities</b>		<b>5 506</b>	<b>51 162</b>	<b>-38 729</b>
<b>Net change in cash and cash equivalents</b>		<b>6 610</b>	<b>37 933</b>	<b>-3 173</b>
Effects of foreign exchange on cash and cash equivalents		-151	2 169	-22
Cash and cash equivalents at the beginning of the period		80 989	40 888	<b>44 083</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>87 449</b>	<b>80 990</b>	<b>40 888</b>

## Notes to the consolidated financial statements – Baltic Sea Properties Group

### Note 1 Accounting Principles

#### General information

Baltic Sea Properties AS is a Norwegian limited liability company listed on the market place Euronext Growth Oslo. The Company's head office is located at Tollbugata 8a, 0152 Oslo. The Company's consolidated financial statements for 2025 were approved by the board as at 15.04.2026. The Group's operations consist of acquisition, development and letting of investment properties in Lithuania as well as some related business

#### Basis of preparation

The consolidated financial statements of Baltic Sea Properties AS have been prepared in accordance with international accounting principles (IFRS) as approved by the EU, with additional information as required by the Norwegian Accounting Act as per 31.12.2025.

#### New and amended accounting standards

At the date of approval of the consolidated financial statements for 2025, the International Accounting Standards Board (IASB) has issued certain new and amended accounting standards and interpretations that are not yet effective and have therefore not been applied in the preparation of these financial statements. The Group will adopt the new standards and amendments to accounting policies when they become effective.

Management has assessed the new standards and interpretations relevant to the Group. The most significant is:

#### IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 replaces IAS 1 Presentation of Financial Statements and introduces new requirements for the presentation and structure of the statement of profit or loss, including defined subtotals and enhanced disclosure requirements. The standard is effective for annual reporting periods beginning on or after 1 January 2027.

The Group expects IFRS 18 to primarily affect the presentation and disclosures in the consolidated financial statements, but not the measurement of assets, liabilities, income or expenses.

Based on assessments performed as at the reporting date, the Group does not expect the implementation of new and amended IFRS standards and interpretations that are not yet effective to have a material impact on its financial position, results or cash flows, but primarily to result in changes in presentation and disclosures.

#### Accounting principles

##### Basic principles

The consolidated financial statements have been prepared based on the historic cost principle with the following modifications:

- Investment properties are presented at fair value
- Some financial instruments are presented at fair value through profit and loss

The consolidated financial statements have been presented on the assumption of the business being a going concern.

The consolidated financial statements are prepared based on similar accounting principles for similar transactions and events.

##### Functional currency and presentation currency

The Group's presentation currency is NOK. This is also the functional currency of the parent company.

Financial statements of group entities with different functional currencies are translated to NOK using closing date currency rates for balance sheet items and transaction date currency rates for profit and loss items. Translation differences are presented as other comprehensive income.

##### Consolidation

The Consolidated financial statements consist of the parent company Baltic Sea Properties AS and subsidiaries (as listed in note 23) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity" Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method is used to account for purchases of subsidiaries that constitute a business. The consideration given is measured at the fair value of the transferred assets, the equity instruments that have been issued, liabilities assumed on the transfer of control and direct costs relating to the actual purchase. The cost of acquisition also includes the fair value of all assets or liabilities that are the result of an agreement on contingent consideration. Identifiable purchased assets, assumed liabilities and contingent liabilities are recognised at fair value on the date of acquisition. The costs associated with the business combination are expensed when they are incurred.

If the aggregate of the consideration, the carrying amount of non-controlling interests and the fair value on the acquisition date of any previously held ownership interests exceeds the fair value of the acquired entity's identifiable net assets, the difference is capitalised as goodwill. If the aggregate is less than the company's net assets, the difference is immediately recognised in profit or loss. Contingent consideration is recognised at fair value on the date of acquisition. Subsequent changes in the fair value of the contingent consideration are recognised in profit or loss or recognised as a change in other comprehensive income (OCI), if the contingent consideration is classified as an asset or a liability. Contingent consideration classified as equity is not remeasured, and subsequent settlement is recognised in equity. For accounting purposes, acquisitions of subsidiaries that do not constitute a business as defined in IFRS 3, such as subsidiaries that only consist of a property, are treated as asset acquisitions. The cost of acquisition is then attributed to the individual identifiable assets and liabilities based on their relative fair values on the acquisition date. Expenses associated with the transaction are capitalized under the investment property. In such cases no provision is made for deferred tax in accordance with the exceptions in IAS 12.

Intra-group transactions, balances and unrealised gains are eliminated. Unrealised losses are eliminated, but are considered evidence of impairment in terms of writing down the value of the transferred asset. If necessary, the accounting policies at subsidiaries are changed in order to bring them into line with the Group's accounting policies.

##### Segment information

Operating segments are reported in the same way as in internal reports to the Group's Chief Operating Decision Maker. The Group's highest decision-making authority, which is responsible for allocating resources and assessing the profitability of the operating segments, has been identified as the Board of Directors and the CEO.

##### Revenue recognition

###### Revenue from lease contracts

The Group enters into lease agreements as a lessor with respect to its investment properties. Lease contracts where a significant proportion of the risks and benefits of ownership remain with the Group are classified as operating leases. Revenue recognition under a lease commences at the inception of the lease. Rent payments for the leases are recognised in a straight line over the duration of the lease." Rental income encompasses the fair value of the payments received for services that fall within the ordinary activities of the company. Rental income is presented net of VAT, rebates and discounts.

Costs for shared services provided to the tenants by external parties do not affect the result beyond an administrative premium recognised as rental income. Shared costs are charged to tenants and recognised in the balance sheet together with payments on account of tenants. Shared costs are settled after the balance sheet date.

###### Revenue from contracts with customers

In determining the basis for revenue recognition from contracts with customers, the Group identifies the distinct performance obligations under the contracts, allocate the transaction price to each identified performance obligation and account for revenue as each performance obligation is met."

Service income for additional services to tenants is recognised in the period the service is performed. Performance obligations are defined in the individual service agreements, either by standard terms or terms specifically agreed with the client. The performance obligation is considered satisfied when the agreed service(s) is/are delivered and/or the agreed time period for the client relationship expires.

##### Operating cost

Property related cost include cost associated with property management, cost related to letting of properties, marketing of properties, owners share of maintenance and day-to-day servicing and other cost. Other operating cost include cost related to activities in non-property related operations.

##### Provisions

The Group recognises provisions for legal claims when a legal or self-imposed obligation exists as a result of past events, when it is likely that an outflow of resources will be required to settle the obligation and its amount can be estimated with a sufficient degree of reliability.

In cases where there are several obligations of the same nature, the likelihood of settlement is determined by assessing the Group as a whole. A provision for the Group is recognised even if there is little likelihood of settlement of the Group's individual elements.

Provisions are measured at the present value of expected payments to settle an obligation. A discount rate before tax is used which reflects the present market situation. Any increase in an obligation as a result of a changed time value is reported as a financial expense.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract and taking into consideration any reasonably obtainable subleases.

##### Investment property

Investment properties are owned with the aim of achieving a long term return from rental income and increase in value. Investment properties are recognised at fair value, based on market values estimated by independent appraisers adjusted for any circumstances not taken into account in the external valuation. Leased properties (right-of-use assets) are accounted for as investment property if the underlying asset meet the definition of an investment property as set out above.

Investment properties are measured initially at its cost, which includes direct transaction costs such as document duty and other public duties, legal fees and due diligence costs. Transaction costs associated with properties acquired through business combinations (as defined in IFRS 3) are expensed.

Subsequent expenditure is added to the investment property's carrying amount, if it is probable that future financial benefits associated with the expenditure will flow to the Group and the expense can be measured reliably. Other maintenance costs and the cost of day-to-day servicing are recorded through the income statement in the period in which they are incurred. Parts of investment property acquired through replacement are capitalised and included in the carrying amount of the investment property if the general asset recognition criteria are met as described above. The carrying amount of the part replaced is derecognised. When investment properties are disposed of, the difference between the net sales proceeds and carrying amount is recognised as change in value from investment properties.

Investment properties are valued at each reporting date based on valuations obtained from independent appraisers biannually (half-year and year-end). The valuation is based on the individual property's assumed future cash flows, and property values are arrived at by discounting cash flows with an individual risk-adjusted required rate of return.

The required rate of return for each property is defined as being a long-term risk-free interest rate plus a property-specific risk supplement. The latter is defined on the basis of the property segment to which the property belongs, its location, standard, occupancy rate, tenants' financial reliability and remaining lease term. Known market transactions with similar properties in the same geographical area are also taken into consideration. The value of investment

properties under construction is measured using the cost method when the fair value cannot be measured reliably. Investment property under construction is measured at its cost until either its fair value becomes reliably measurable or construction is completed (whichever is earlier). Once the entity becomes able to measure reliably the fair value of an investment property under construction that has previously been measured at cost, it measures that property at its fair value.

Changes in fair value, including gains and losses on sale of investment properties, are recognised as "Changes in value of investment properties".

##### Borrowing costs

Borrowing costs for capital used to finance investment properties under construction are capitalised under the asset in question. When calculating the capitalised borrowing costs, the average interest rate on the company's debt portfolio over the course of the year is used, unless there is separate financing for the specific project. In such cases the specific borrowing cost for the loan in question is used. When calculating the average interest rate to be used for the capitalisation of borrowing costs, loans taken out for specific projects are not included.

##### Other operating assets

Other operating assets are recognised at acquisition cost, less depreciation. The acquisition cost includes costs directly related to the acquisition of the asset. Other operating assets are depreciated in a straight line over their anticipated remaining useful life.

The assets' remaining useful life and residual value are reassessed on each balance sheet date and changed if necessary. If the carrying amount of an asset is higher than its recoverable amount, the value of the asset is written down to the recoverable amount.

Gains and losses on disposals are recognised through profit or loss, and are calculated as the difference between the sales price and the carrying amount at the time of disposal.

Please refer to note 6 for a detailed presentation of the other operating assets in the balance sheet.

##### Lease contracts (the group as a lessee)

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease contracts in which it is the lessee, except for leases with a lease term of 12 months or less, and leases of low value assets (such as vehicles and technical and office equipment), for which the Group applies the "short-term lease" and "lease of low-value assets" recognition exemptions. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the lease term. Only fixed payments are included in the initial measurement of the lease liability, and the lease term corresponds to the non-terminable period. The discount rate used to calculate the lease liability is determined, for each asset, based on the Group's incremental borrowing rate for leases. The lease liability is presented as part of other liabilities in the balance sheet.

For lease contracts where the leased properties meet the definition of investment properties in IAS 40, the Group applies the fair value model to the associated right-of-use assets. The right of use asset is measured on initial recognition at present value of the future lease payments, and on subsequent measurement under the fair value model. The discount rate used to calculate the right-of-use asset may be different from the discount rate used to calculate the lease liability. The right-of-use assets are presented as part of investment properties in the balance sheet.

##### Financial instruments

A financial instrument is defined as being any contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity. Financial instruments are recognised on the transaction date, i.e. the date on which the Group commits to buying or selling the asset. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through OCI, and FVTPL. For a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are "solely payments of principal and interest (SPPI)" on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Further, the financial assets shall be held within a business model whose objective is to hold the financial assets in order to collect contractual cash flows. The majority of the Group's financial assets are classified as measured at amortised cost.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's financial assets at amortised cost includes trade and other current receivables, cash and cash equivalents and other financial assets.

Financial assets at FVTPL include financial assets designated upon initial recognition at FVTPL and financial assets mandatorily required to be measured at fair value. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVTPL. The Group's financial assets at FVTPL includes financial derivatives.

Financial liabilities are classified upon initial recognition as financial liabilities at FVTPL and financial liabilities at amortised cost. Financial liabilities at FVTPL comprise loans designated at fair value upon initial recognition and derivatives. Financial liabilities at amortised cost consist of liabilities that do not fall under the category at FVTPL.

##### Trade receivables and other financial assets

Trade receivables and other financial assets are classified as financial assets measured at amortised cost. Interest is ignored if it is insignificant. The Group applies the simplified approach in IFRS 9 to measure the loss allowance at lifetime expected credit losses. A provision for bad debt is determined by estimating expected credit losses with reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. There has been no change in the estimation techniques or significant assumptions made during the current reporting period. Any subsequent payments received against accounts for which a provision has previously been made are recognised in the income statement. Trade receivables, contract assets and other financial assets are classified as current assets, unless they are due more than twelve months after the balance sheet date. If so, they are classified as non-current assets.

##### Cash and cash equivalents

Cash and cash equivalents consist of bank deposits and other short-term, highly liquid investments with an original term to maturity of no more than three months.

##### Financial derivatives

The Group uses derivatives to manage its interest rate risk. Derivatives are initially recognised at fair value on the date on which the contract was signed, and subsequently at fair value. Gains or losses on remeasurement at fair value are recognised in the income statement. Regular payments are presented as interest and other finance expenses. Changes in the value of the derivatives are presented under "Change in value of financial instruments". The fair value of interest rate swaps is the estimated amount the Group would receive or pay to redeem the contracts on the balance sheet date. This amount will depend on interest rates and the contracts' remaining term to maturity. The derivatives are classified on the balance sheet as current or non-current, depending on whether they are expected to be redeemed under or over 12 months from the balance sheet date.

##### Trade payables and other non-interest bearing financial liabilities

Trade payables and other non-interest bearing liabilities are classified as financial liabilities at amortised cost, and are measured at fair value upon initial recognition, and subsequently at amortised cost using the effective interest rate method. Interest is ignored if it is insignificant.

##### Interest bearing liabilities

Interest bearing liabilities are classified as financial liabilities at amortised cost, and are measured at fair value upon initial recognition, and subsequently at amortised cost using the effective interest rate method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as net realised financials in the statement of profit or loss. The liabilities are measured at their nominal value when the effect of discounting is immaterial. Interest bearing liabilities are classified as current liabilities where the debt is due for repayment less than 12 months from the balance sheet date.

##### Currency

Foreign currency transactions are translated at the exchange rate on the date of the transaction. Monetary foreign currency items are translated to NOK at the exchange rate on the balance sheet date. Non-monetary items that are measured at cost in a foreign currency are translated to NOK using the exchange rate on the transaction date. Non-monetary items that are measured at fair value in a foreign currency are translated to NOK using the exchange rate on the balance sheet date. Exchange rate fluctuations are recognised in profit or loss as they arise.

##### Statement of cash flows

The statement of cash flows is prepared using the indirect method. This means that the statement is based on the Group's profit before tax in order to present cash flows from operating, investing and financing activities respectively. Interest on leases and net interest and fees paid on loans are presented as operating cash flows. Dividends paid to shareholders are presented under financing activities.

##### Tax

The tax expense consists of tax payable and deferred tax. Tax is charged to the income statement, except where it relates to items that are recognised in OCI or directly in equity. In such cases, the tax is either recognised in OCI or directly in equity.

Deferred tax is calculated using the liability method for all temporary differences between the tax values and consolidated accounting values of assets and liabilities. Deferred tax liabilities are not calculated and recognised upon initial recognition of assets or liabilities obtained through an acquisition of a subsidiary not classified as a business combination. Deferred tax is defined using tax rates and laws which are enacted or likely to be enacted on the balance sheet date, and which are expected to be used when the deferred tax asset is realised or when the deferred tax is utilised.

Deferred tax is calculated and provided or reduced in the event of adjustments to the value of investment properties at a nominal tax rate of 17 per cent. A deferred tax asset is recognised to the extent that it is likely that future taxable profit will be available against which the temporary differences can be offset.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary difference will not reverse in the foreseeable future.

##### Events after the reporting period

Events after the reporting period related to the group's financial position at the end of the reporting period, are considered in the financial statements. Events after the reporting period that have no effect on the group's financial position at the end of the reporting period, but will have effect on future financial position, are disclosed if the future effect is material.

##### Other shares

Investments in equity instruments with an ownership below 20 % are normally classified as other shares and recognised in other non-current assets in the statement of financial position. Shares in listed companies are measured at fair value through profit or loss. Investments in equity instruments that do not have a quoted market price in an active market are classified as financial assets measured at fair value through other comprehensive income (OCI). Changes in fair values recognised in OCI cannot be subsequently recycled to statement of profit or loss. Dividends from such investments are recognised as other items in the statement of profit or loss.

##### Treasury shares

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the treasury share reserve. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity and the resulting surplus or deficit on the transaction is presented within share premium.

##### Measurement of fair value

The company measures investment property and several financial assets and liabilities at fair value. For the classification of fair value, the company uses a system which reflects the significance of the input used to make the measurements:

###### Level 1

Fair value is measured using quoted prices from active markets for identical assets or liabilities.

###### Level 2

Fair value is determined from input based on other observable factors, either direct (price) or indirect (derived from prices), than the quoted price (used in level 1) for the asset or liability. This will be relevant for the financial instruments.

###### Level 3

Fair value is measured using input which is not based on observable market data. This will be relevant for the investment property.

**Note 2 Critical accounting estimates and subjective judgement**

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. When management makes estimates about the future, the resulting accounting estimates, by definition, will seldom equal the actual outcome.

Estimates and judgements are evaluated continuously and are based on historical experience and other factors. This includes expectations of future events that are believed to be reasonable under the circumstances. Revisions of reported estimates are recognised in the period which the estimates are revised and in any future period affected. The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the next financial year are the fair value of investment properties and the fair value of financial derivatives.

**Fair value of investment properties**

Investment properties are measured at their fair value based on valuations performed by external, independent appraisers. The valuations at 31st December 2025 were obtained from Newsec and Ober-Haus. The valuations are mainly based on a discounted cash flow method, which involves discounting future cash flows over a specified period using an estimated discount rate and adding a residual value at the end of the period. Future cash flows are calculated on the basis of cash flows from signed leases, as well as future cash flows based on an expected market rent at the end of the lease terms. Both contractual and expected cash flows are included in the calculations. Fair-value assessment of investment properties, therefore, depends largely on assumptions related to market rents, discount rates, and inflation. The market rent for each property takes into account the property's situation, standard and leases signed for comparable properties in the area. Updated macroeconomic assumptions are applied in the calculations. Based on an assessment of the properties, tenants, and macroeconomic conditions at the balance sheet date, cash flows are discounted using discount rates based on individual assessments of each property.

The appraisers perform their valuations on the basis of the information they have received, and estimate future market rents, yields, inflation and other relevant parameters. Each individual property is assessed in terms of its market position, rental income and ownership costs, with estimates being made for anticipated vacancy levels and the need for alterations and upgrades. The remaining term of the leases is also assessed for risk, along with any special clauses in the contracts. Each property is also compared with recently sold properties in the same segment (location, type of property, mix of tenants, etc.). The sensitivity of the fair-value assessment of investment properties depends to a considerable extent on assumptions related to yield, interest rates, market rents and operating costs for the properties. Reference is made to note 4 Investment property.

**Note 3 Operating income**

Below is a breakdown of the group's income from contracts with customers.

Property-related income	2025	2024	2023
Rental income from investment properties	105 602 431	96 413 264	91 286 411
<b>Total</b>	<b>105 602 431</b>	<b>96 413 264</b>	<b>91 286 411</b>

Other operating income	2025	2024	2023
Administration revenue from management services to external clients	1 939 827	620 239	555 403
Other operating income	2 047	164 618	198 863
<b>Total</b>	<b>1 941 874</b>	<b>784 857</b>	<b>754 265</b>

Below is a description of the group's revenue recognition terms and associated accounting:

**Property-related income****Common costs, tenants:**

The rental contracts for the tenants regulate service deliveries which are paid via the common costs (e.g. cleaning, common utilities, facility and technical maintenance/supervision and management). The group's assessment is that the services/elements covered by common costs are included as an overall delivery of an operating service as agreed in the contract. The service is considered to be a series of independent services to the tenant that have the same characteristics and transmission pattern. Income from forward charge of common costs is invoiced to an a-account per tenant based on an estimate/ settlement from the previous year. The transaction price is variable. Income recognition is based on the a-account invoicing as this is considered to be the best estimate of the variable remuneration, and it is unlikely that there will be a significant reversal of the a-account invoicing. The income is recognized over time since the tenant receives the services in ongoing delivery obligations, and consumes them simultaneously, in that the services directly touch the rented premises and associated common areas.

Revenue from common costs (including net income from solar energy production), which is forward-charged to tenants is netted against the common costs expense in the profit and loss statement, and is therefore not reflected in the group's specification of income.

**Other operating income**

Other operating income mainly consists of management fees and other operating income. The services and goods that are included are assessed as separate delivery obligations, and revenue is recognized over time since the customer receives and consumes these simultaneously.

**Note 4 Investment property**

Bi-annually, per 30 June and 31 December, Baltic Sea Properties collects valuations of its properties from two independent valutors (Ober-haus and Newsec). When determining property values for accounting and NAV purposes, the valuation method is based on the average of the two valuations for each property/portfolio. However, the company also conducts its own value assessments, and in certain instances, where there are reasons for applying an amended value estimate than the average of the external valuations, the company will use its own best estimate to reflect the correct market value per balance date. In these instances, the reasoning behind the chosen value must be explained. The valuation is carried out by the company's own employees and approved by the company's board.

Key factors are current income and expenses for the property, market rent and yield. A set of macroeconomic assumptions is used as a basis, but beyond this, each individual property and area is measured separately. To determine the yield, the property's location, attractiveness, quality, the general property market and credit market, the tenant's assumed solvency and the lease agreement structure are assessed. This model uses a number of significant unobservable parameters and is included at level 3 in the valuation hierarchy. These parameters include the following:

**Future rental payments**

These are estimated based on the actual location, type and condition of the building. The estimates are supported by existing lease agreements, as well as recently concluded lease agreements for similar properties in the same area.

**Required rate of return (Yield)**

Yield refers to the annual rate of return on an investment property, expressed as a percentage of the property's purchase price or current market value. It is a key metric used by investors to evaluate the performance of a property and compare it to other investment opportunities. Yield is typically calculated by dividing the property's annual net income (rental income minus expenses) by its purchase price or current market value. This provides an indication of the investment's profitability and potential cash flow. There are two primary types of yield in commercial real estate.

**1. Gross Yield** = (Annual Rental Income / Property Purchase Price or Market Value) x 100.

This is the annual rental income generated by a property as a percentage of its purchase price or current market value, without accounting for expenses like maintenance, property management fees, and vacancy rates.

**2. Net Yield** = (Annual Net Income / Property Purchase Price or Market Value) x 100. This is a more accurate representation of the actual return on investment as it factors in expenses like maintenance, property management fees, and vacancy rates. It is the annual net income generated by a property as a percentage of its purchase price or current market value.

Yield is just one of the many factors investors consider when evaluating commercial real estate investments. Other important factors include location, property type, tenant quality, and market conditions.

**Estimated vacancy**

This is determined based on actual market conditions and expected market conditions at the end of existing lease agreements.

**Ownership expenses**

Ownership expenses are estimated based on lease agreement, estimated maintenance costs to maintain the building's capacity over its economic life.

Investment properties in balance sheet	31 December 2025	31 December 2024	31 December 2023
Investment properties measured at fair value	1 392 401 525	1 300 676 404	1 120 598 432
Investment properties under construction measured at cost	33 787 511	15 444 894	741 078
Investment properties excl. right-of-use asset, investment property	1 426 189 035	1 316 121 298	1 121 339 510
Right-of-use asset, investment property (cf. note 18/IFRS 16)	29 401 361	29 624 353	28 876 498
<b>Sum</b>	<b>1 455 590 396</b>	<b>1 345 745 651</b>	<b>1 150 216 008</b>

Investment properties measured at fair value	31 December 2025	31 December 2024	31 December 2023
Opening balance	1 300 676 404	1 120 453 859	1 002 753 675
Purchase of investment property	-	-	-
Sale of investment property	-	-	-
Capital expenditure on investment properties	98 254 508	93 831 304	43 572 937
Net gains/losses from fair value adjustments in the period	25 401 603	41 323 157	3 960 754
Currency effects	-31 930 990	45 068 084	70 166 493
<b>Fair value per 31.12</b>	<b>1 392 401 525</b>	<b>1 300 676 404</b>	<b>1 120 453 859</b>

Investment properties held for continued investment, measured at fair value	1 392 401 525	1 300 676 404	1 120 453 859
Investment properties held for sale, measured at fair value	-	-	-
<b>Closing balance investment properties measured at fair value</b>	<b>1 392 401 525</b>	<b>1 300 676 404</b>	<b>1 120 453 859</b>

Overview of inputs for valuation	31 December 2025	31 December 2024	31 December 2023
Valuation Level	3	3	3
Valuation model	DCF	DCF	DCF
Fair Value	1 426 189 035	1 316 121 298	1 121 339 510
Number of square meters (including developments under construction)	135 436	128 402	124 201
WAULT	9.2	8.6	9.1
Contracted rent at 31.12 measured in NOK	118 931 864	105 113 277	93 563 292
Actual occupancy	96 %	100%	100%
Net Yield (interval)	7 - 10 %	7 - 10 %	7 - 10 %
Currency	11.8430	11.7950	11.2405

**Sensitivity analysis**

Sensitivity - Valuations (market value)	31/12/2025		31/12/2024		31/12/2023	
	Value change (+)	Value change (-)	Value change (+)	Value change (-)	Value change (+)	Value change (-)
<i>Exit yield:</i>						
+/- 0.25 percentage points	-44 243 831	47 484 010	-38 049 225	40 502 881	-30 423 526	32 277 073
+/- 0.50 percentage points	-85 580 085	98 596 625	-73 861 203	83 704 667	-59 150 625	66 585 103
+/- 1.00 percentage points	-160 639 514	213 623 113	-139 518 866	179 361 034	-112 059 051	142 126 591

**Currency risk**

The group has financial risk linked to the conversion of subsidiaries in Lithuania (EUR) to the presentation currency (NOK).

Sensitivity - Net Asset Value		31/12/2025 (EUR/NOK 11.8430)		31/12/2024 (EUR/NOK 11.7950)		31/12/2023 (EUR/NOK 11.2405)	
		Value change (+)	Value change (-)	Value change (+)	Value change (-)	Value change (+)	Value change (-)
Increase/decrease NOK/EUR - balance date	+/-2.5%	11 480 000	-11 480 000	15 696 000	-15 696 000	-12 772 088	12 772 088
Increase/decrease NOK/EUR - balance date	+/-5.0%	22 961 000	-22 961 000	31 392 000	-31 392 000	-25 544 176	25 544 176

**Adjusted valuations for the purpose of the financial statements**

The average fair value of investment properties estimated by external valuers have been adjusted by a total of MNOK -30.0 to arrive at the fair value booked. The adjustments have been made to reflect the uncertainties related to current geopolitical and local market conditions, as well as uncertainties related to future capital expenditure requirements and assumed risk related to contract renewals. See reconciliation of adjustments below.

NOK	Asset 1	Asset 2	Asset 3	Asset 4	Asset 5	Asset 6	Asset 7
Average fair value estimated by external valuers + book value of constructions in progress	113 337 510	147 149 275	216 820 353	160 946 370	116 949 625	20 784 465	30 495 725
Adjustment 1	-829 010						
Adjustment 2		-5 033 275					
Adjustment 3			-4 441 125				
Adjustment 4				-2 250 170			
Adjustment 5					-1 302 730		
Adjustment 6						-	
Adjustment 7							-
Fair value booked per 31.12	112 508 500	142 116 000	212 379 228	158 696 200	115 646 895	20 784 465	30 495 725
NOK	Asset 8	Asset 9	Asset 10	Asset 11	Asset 12	Asset 13	
Average fair value estimated by external valuers + book value of constructions in progress	10 599 485	43 049 305	145 905 760	221 892 059	221 790 090	6 504 057	
Adjustment 8	-1 361 945						
Adjustment 9		-					
Adjustment 10			-				
Adjustment 11				-10 421 852			
Adjustment 12					-4 394 937		
Adjustment 13						-	
Fair value booked per 31.12	9 237 540	43 049 305	145 905 760	211 470 207	217 395 153	6 504 057	

**Investment properties under construction measured at cost**

BSP assess that the fair value of their properties under construction cannot be measured reliably and as such measure these at cost until completion. The cost is considered to better reflect the underlying value of the investment property as the uncertainty related to the estimation of the fair value is deemed to be substantial. The properties under construction will be measured at fair value when its fair value is reliably measurable or construction is completed, whichever is earlier.

Investment properties under construction measured at cost	31 December 2025	31 December 2024	31 December 2023
Opening balance	-	-	-
Capital expenditure on investment properties under construction	33 787 511	15 444 894	741 078
<b>Book value investment properties under construction measured at cost</b>	<b>33 787 511</b>	<b>15 444 894</b>	<b>741 078</b>
<b>Book value of investment property pledged as security for debt</b>	<b>1 358 614 014</b>	<b>1 285 231 511</b>	<b>1 119 857 355</b>

**Information regarding leased investment properties:**

As of 31/12/2025 the BSP portfolio includes 7 leased land plots. All leased land plots are on long-term leases. The leases are accounted for in line with IFRS 16 and IAS 40. Refer to note 13 for further information. The land leases are regulated annually in accordance with municipal decisions.

**Note 5 Employee benefit expenses**

Group's employee benefit expenses	2025	2024	2023
Salaries (incl. holiday pay)	16 349 665	14 297 958	13 166 570
Employer's national insurance contributions	652 071	639 970	797 439
Pension expenses	198 266	154 100	180 015
Other payments / benefits	2 107 427	2 365 214	1 342 883
<b>Total</b>	<b>19 307 429</b>	<b>17 457 242</b>	<b>15 486 907</b>

**Remuneration to executive management<sup>1</sup>**

	2025	2024	2023
Salaries (incl. holiday pay)	3 687 734	3 265 781	3 232 704
Bonus	569 857	355 826	404 143
Board fees	300 000	300 000	300 000
Pension expenses	93 548	89 300	83 692
Other payments / benefits	32 135	62 952	65 128
<b>Total</b>	<b>4 683 273</b>	<b>4 073 858</b>	<b>4 085 667</b>

<sup>1</sup> In addition to the expenses listed in this table, the company in 2024 covered the Chairman and CIO's tuition fee for the Senior Executive Programme at London Business School (NOK 569,238/ GBP 40,300). This arrangement is subject to a clawback clause tied to Mr Clarke's continued engagement with the company.

**Remuneration to CEO**

	2025	2024	2023
Salaries (incl. holiday pay)	1 942 337	1 725 159	1 567 832
Bonus	245 800	234 422	188 162
Pension expenses	93 548	89 300	83 692
Other payments / benefits	32 135	62 952	61 759
<b>Total</b>	<b>2 313 819</b>	<b>2 111 833</b>	<b>1 901 445</b>

**Average number of full-time equivalents**

	2025	2024	2023
	17	16	16

The company is subject to the defined contribution plan and meets the requirements of the law.

The group has not granted loans or provided security for shareholders, board members or employees in 2025 or 2024.

The CEO is entitled to 6 months salary upon termination of employment.

The aim is to create the right conditions for recruiting and keeping members of the management who possess the qualities required to manage the operations of the company profitably and with correct set of values and principles aligned with the company's. The individual employee's remuneration must be competitive and reflect the person's area of responsibility and performance of the work. The remuneration may consist of a combination of fixed and ongoing performance and other remuneration, including:

- Benefits in kind that appear in employment agreements (for example telephone/ICT solutions, car maintenance and insurance schemes).
- Collective and individual pension schemes.

The remuneration can include share and share value-based schemes based on the company's owned shares. However, the company cannot offer such incentives beyond existing owned shares without being approved in advance by the company's annual general meeting. For the financial year, executive personnel have received a total of 1,536 shares. The company distributed a total of 2,846 shares during the financial year to its employees. The Group has recognised a total expense of NOK 130,233 as an expense in the income statement. The market value of these 2,846 shares were NOK 132,908 per year-end.

	2025	2024	2023
Remuneration provided to the board of directors (ex. employer's national insurance contributions)	970 000	1 050 000	950 000

**Note 6 Other operating assets**

2025	Cars & vehicles	Machinery & equipment	Software & other fixed assets	Total
Opening balance at 01.01.	1 821 026	377 424	1 610 824	3 809 275
Additions during the year	2 232	37 162	0	39 394
Disposals during the year	0	0	0	0
Currency differences	7 411	1 259	526	9 196
<b>Closing balance as of 31.12</b>	<b>1 830 669</b>	<b>415 846</b>	<b>1 611 350</b>	<b>3 857 865</b>
Accumulated depreciation and amortisation as of 01.01.	-1 280 675	-274 046	-600 606	-2 155 327
This year's depreciation	-156 213	-36 592	-297 903	-490 708
This year's amortisation	0	0	0	0
Currency adjustment of accumulated depreciation and amortisations	-6 886	-1 175	-526	-8 587
<b>Accumulated depreciation and amortisations of 31.12</b>	<b>-1 443 774</b>	<b>-311 813</b>	<b>-899 035</b>	<b>-2 654 622</b>
<b>Carrying amount at 31.12</b>	<b>386 895</b>	<b>104 033</b>	<b>712 316</b>	<b>1 203 243</b>
Estimated useful life	6-10 years	5 years	3-5 years	
Depreciation plan	Straight-line	Straight-line	Straight-line	
<b>2024</b>	<b>Cars &amp; vehicles</b>	<b>Machinery &amp; equipment</b>	<b>Software &amp; other fixed assets</b>	<b>Total</b>
Opening balance at 01.01.	1 735 417	317 903	1 084 531	3 137 851
Additions during the year	-	47 191	520 216	567 407
Disposals during the year	-	-	-	-
Currency differences	85 609	12 330	6 077	104 017
<b>Closing balance as of 31.12</b>	<b>1 821 026</b>	<b>377 424</b>	<b>1 610 824</b>	<b>3 809 274</b>
Accumulated depreciation and amortisation as of 01.01.	-973 193	-204 089	-329 431	-1 506 713
This year's depreciation	-255 791	-61 516	-265 097	-582 405
This year's amortisation	-	-	-	-
Currency adjustment of accumulated depreciation and amortisations	-51 691	-8 441	-6 077	-66 209
<b>Accumulated depreciation and amortisations of 31.12</b>	<b>-1 280 676</b>	<b>-274 046</b>	<b>-600 605</b>	<b>-2 155 327</b>
<b>Carrying amount at 31.12</b>	<b>540 350</b>	<b>103 378</b>	<b>1 010 219</b>	<b>1 653 947</b>
Estimated useful life	6-10 years	5 years	3-5 years	
Depreciation plan	Straight-line	Straight-line	Straight-line	
<b>2023</b>	<b>Cars &amp; vehicles</b>	<b>Machinery &amp; equipment</b>	<b>Software &amp; other fixed assets</b>	<b>Total</b>
Opening balance at 01.01.	1 428 419	630 160	972 031	3 030 610
Additions during the year	383 917	57 106	112 500	553 523
Disposals during the year	-175 649	-409 160	-	-584 809
Currency differences	98 730	39 797	-	138 527
<b>Closing balance as of 31.12.</b>	<b>1 735 417</b>	<b>317 903</b>	<b>1 084 531</b>	<b>3 137 851</b>
Accumulated depreciation and amortisation as of 01.01.	-783 102	-377 546	-142 930	-1 303 578
This year's depreciation	-249 675	-59 662	-187 807	-497 144
This year's amortisation	111 532	260 786	-	372 318
Currency adjustment of accumulated depreciation and amortisations	-51 949	-27 666	1 306	-78 310
<b>Accumulated depreciation and amortisations of 31.12.</b>	<b>-973 193</b>	<b>-204 089</b>	<b>-329 431</b>	<b>-1 506 713</b>
<b>Carrying amount at 31.12.2023</b>	<b>762 223</b>	<b>113 814</b>	<b>755 100</b>	<b>1 631 138</b>
Estimated useful life	6-10 years	5 years	3-5 years	
Depreciation plan	Straight-line	Straight-line	Straight-line	

**Note 7 Property expenses (excl. management)**

	2025	2024	2023
Real estate tax and land tax	3 631 232	3 361 574	2 427 888
Maintenance and fit-out	709 863	745 828	378 924
Insurance	515 518	432 805	525 998
Other direct ownership costs (excl. salaries)	-71 436	-1 225 740	350 190
<b>Total</b>	<b>4 785 177</b>	<b>3 314 467</b>	<b>3 683 000</b>

**Note 8 Other operating expenses**

	2025	2024	2023
Audit fee (see information in the table below)	992 250	1 098 036	895 993
Fees for accounting & financial assistance	706 669	905 817	542 902
Legal assistance	770 109	1 282 124	262 917
Agent fees	650 317	641 332	570 961
Other operating expenses	5 905 453	2 038 217	3 683 646
<b>Total</b>	<b>9 024 798</b>	<b>5 965 526</b>	<b>5 956 419</b>

**Audit fee (ex. VAT)**

	2025	2024	2023
Statutory Audit	960 250	1 069 196	692 971
Tax advisory	32 000	28 840	26 445
Other attestation and advisory services	0	-	176 577
<b>Total</b>	<b>992 250</b>	<b>1 098 036</b>	<b>895 993</b>

**Note 9 Finance income and expenses**

	2025	2024	2023
<b>Change in fair value of financial instruments</b>			
Unrealized gain/(loss) on interest rate swaps and options	-170 084	-479 154	-6 448 872
<b>Total</b>	<b>-170 084</b>	<b>-479 154</b>	<b>-6 448 872</b>

	2025	2024	2023
<b>Finance income</b>			
Interest income	419 630	687 566	311 398
Currency gains (net)	-532 235	341 133	57 692
<b>Total</b>	<b>-112 604</b>	<b>1 028 699</b>	<b>369 090</b>

	2025	2024	2023
<b>Finance expenses</b>			
Interest expenses	34 514 947	33 149 428	38 199 310
Loss (+) / gain (-) interest hedge agreements	-118 045	6 816 140	-5 939 299
Interest expenses, lease liabilities	802 665	800 572	755 664
Other financial expenses	1 480 486	2 060 701	876 057
<b>Total</b>	<b>36 680 053</b>	<b>42 826 841</b>	<b>33 891 732</b>

	2025	2024	2023
<b>Specification of currency gains (net)</b>			
Exchange rate effects bank	41 419	83 742	68 376
Other currency items	-573 654	257 399	-10 684
<b>Sum</b>	<b>-532 242</b>	<b>341 133</b>	<b>57 692</b>

**Note 10 Interest rate swap agreements**

In order to adapt the debt portfolio to the group's target interest rate profile, the following financial instruments are used:

**Interest rate swap agreement**

Agreement to exchange interest terms for a specific nominal amount over a specific number of periods.

The financial instruments are measured at fair value on the reporting date. Changes in value during the accounting period are booked in profit or loss.

Instruments as of 31.12.2025	Type	Expiration year	Contract amount (principal)	Average interest rate
-	-	-	-	-
-	-	-	-	-

Instruments as of 31.12.2024	Type	Expiration year	Contract amount (principal)	Average interest rate
Interest rate swap	Pays fixed and receives floating	28/07/2025	199 403	0.72%
Interest rate swap	Pays fixed and receives floating	28/07/2025	756 731	0.72%

Instruments as of 31.12.2023	Type	Expiration year	Contract amount (principal)	Average interest rate
Interest rate swap	Pays fixed and receives floating	10/01/2024	12 699 000	0.58%
Interest rate swap	Pays fixed and receives floating	10/01/2024	4 125 740	0.58%
Interest cap rate	Pays fixed and receives floating	28/07/2025	254 405	0.72%
Interest rate swap	Pays fixed and receives floating	28/07/2025	1 006 739	0.72%

**Note 11 Tax****Amounts in NOK thousand**

Income tax expense	2025	2024	2023
Tax payable	-	-	-2 013
Correction previous years	-1 482	-626	-
Change in deferred due to change in tax rate	4 487	3 761	-
Change in deferred tax	13 119	10 347	2913
<b>Income tax expense</b>	<b>16 123</b>	<b>13 483</b>	<b>900</b>

Income tax payable is calculated as follows:	2025	2024	2023
Profit before tax	61 943	66 641	29 968
Permanent differences	2 512	1 456	-17 920
Change temporary differences	-87 866	-87 509	-37 863
Change in loss carry-forward	-14 526	20 731	15 137
Adjustment for tax asset not booked	-13 024	-	-
<b>Taxable income</b>	<b>-50 961</b>	<b>1 319</b>	<b>-10 778</b>

Tax payable on the year's profit	-	198	-1 617
Previous year tax adjustment	-1 482	-198	-396
Payable tax on the year's profit after previous year tax adjustment	-	-	-2 013
Tax payable as of 01.01.	-	-	2 132
Currency effect on tax payable as of 01.01	-	-	-217
Taxes paid/settled during the year	-	-	-298
<b>Tax payable in the balance sheet as of 31.12</b>	<b>-</b>	<b>-</b>	<b>-</b>

Specification of basis for deferred tax:	31 December 2025	31 December 2024	31 December 2023
Loss carried forward (TLCF)	141 166	144 317	110 617
Investment properties	-1 382 259	-778 493	-513 490
Finance items	186 439	184 563	23 112
Other differences	522 927	902	3 620
<b>Total</b>	<b>-531 727</b>	<b>-448 712</b>	<b>-376 141</b>
Deferred tax assets not booked in balance sheet <sup>1</sup>	41 466	40 733	52 691
<b>Basis of deferred tax liability (-) / deferred tax asset (+)</b>	<b>-490 261</b>	<b>-407 978</b>	<b>-323 451</b>
<b>Deferred tax liability (-) / deferred tax asset (+)</b>	<b>-83 344</b>	<b>-65 277</b>	<b>-48 518</b>
Applicable tax rate <sup>2</sup>	17 %	16.0%	15.0%

<sup>1</sup>As it is uncertain whether the parent company will be able to make use of its deferred tax advantage, this is not included in the calculation of the group's tax advantage.

<sup>2</sup>Lithuania's tax rate (increased from 16% to 17% with effect from 1<sup>st</sup> January 2026) has been used in the group's calculation of deferred tax.

Reconciliation between nominal and actual tax expense rate	2025	2024	2023
Profit before tax	61 943	68 808	29 868
Financial profit multiplied by nominal tax rate (22%)	13 627	15 138	6 571
Adjustment tax rate Lithuania (16 %)	-3 529	-3 982	-1 108
Tax effect of permanent differences (16 %)	402	218	-2 688
Tax effect of other differences (16 %)	7 105	1 190	-1 479
Correction previous years	-1 482	626	-
Previous year tax adjustment (16 %)	-	-198	-396
<b>Income tax expenses</b>	<b>16 123</b>	<b>13 483</b>	<b>900</b>
Effective tax rate	26.0 %	19.6 %	3.0%

**Note 12 Earnings per share**

The calculation of basic earnings per share has been based on profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding during the year.

For the financial year, executive personnel have received a total of 1,536 shares. The company distributed a total of 2,846 shares during the financial year to its employees.

Earnings per share	2025	2024	2023
Profit after tax attributable to shareholders	45 819 512	55 325 477	28 968 347
Average number of outstanding shares	8 690 312	8 687 466	6 677 837
<b>Earnings per share</b>	<b>5.27</b>	<b>6.37</b>	<b>4.34</b>

**Note 13 Lease agreements where the group is the lessee****Lease agreements where the group is the lessee**

The group has lease agreements relating to the lease of land in several subsidiaries. The group applies the fair value model to right-of-use assets associated with the property lease contracts. Leased assets included in investment properties at 31 December 2025 was NOK 29.4 million (NOK 29.6 million per 31 December 2024).

Overview of changes to right of use assets and lease liabilities	Right-of-use assets	Lease liabilities
Opening balance 1 January 2025	29 624 353	30 483 972
Payments	-	-903 507
Depreciation	-339 910	-
Additions	-	-
Other / exchange differences	116 918	925 642
<b>Balance per 31 December 2025</b>	<b>29 401 361</b>	<b>30 506 106</b>

Opening balance 1 January 2024	28 690 678	29 282 958
Payments	-	-1 055 629
Depreciation	-474 909	-
Additions	-	812 098
Other / exchange differences	1 408 584	1 444 544
<b>Balance per 31 December 2024</b>	<b>29 624 353</b>	<b>30 483 972</b>

Opening balance 1 January 2023	24 140 852	24 139 006
Payments	-	-1 050 421
Depreciation	-162 192	-
Additions	1 562 360	1 562 360
Other / exchange differences	3 149 749	4 632 013
<b>Balance per 31 December 2023</b>	<b>28 690 769</b>	<b>29 282 958</b>

Maturity analysis: Contractual, undiscounted cashflows	31 December 2025	31 December 2024	31 December 2023
<i>Current liabilities</i>			
- Less than one year	104 479	909 489	1 006 002
<i>Non-current liabilities</i>			
- One to five years	3 652 760	3 637 955	3 466 930
- More than five years	75 259 733	75 061 990	72 399 950
<b>Total</b>	<b>79 016 972</b>	<b>79 609 434</b>	<b>76 872 882</b>

Amounts recognized in the consolidated statement of income	2025	2024	2023
Depreciation	-339 910	-474 909	-162 192
Interest expense	-802 665	-800 572	-755 664
<b>Total</b>	<b>-1 142 575</b>	<b>-1 275 482</b>	<b>-917 856</b>

Amounts recognized in statement of cashflows	2025	2024	2023
Interest payments	-802 665	-800 572	-755 664
Payments of principal	-903 507	-1 055 629	-294 757
<b>Total lease payments</b>	<b>-1 706 173</b>	<b>-1 856 201</b>	<b>-1 050 421</b>

Right-of-use assets specified by type	Land	Cars	Total
Opening balance 1 January 2025	29 624 444	-	29 624 444
Depreciation	-339 910	-	-339 910
Additions	0	-	-
Other / exchange differences	116 918	-	116 918
<b>Balance per 31 December 2025</b>	<b>29 401 361</b>	<b>-</b>	<b>29 401 361</b>

Right-of-use assets specified by type	Land	Cars	Total
Opening balance 1 January 2024	28 557 740	133 029	28 690 769
Depreciation	-337 299	-137 610	-474 909
Additions	-	-	-
Other / exchange differences	1 404 003	4 581	1 408 493
<b>Balance per 31 December 2024</b>	<b>29 624 444</b>	<b>-</b>	<b>29 624 353</b>

Right-of-use assets specified by type	Land	Cars	Total
Opening balance 1 January 2023	23 909 386	231 466	24 140 852
Depreciation	-	-162 192	-162 192
Additions	1 562 360	-	1 562 360
Other / exchange differences	3 085 994	63 755	3 149 749
<b>Balance per 31 December 2023</b>	<b>28 557 740</b>	<b>133 029</b>	<b>28 690 770</b>

**Note 14 Classification and measurement of financial assets and liabilities**

The table below provides an overview of the classification of the group's financial assets and liabilities, and shows the valuation hierarchy for financial instruments that are measured at fair value. The table also shows the balance sheet values and fair value for the group's financial instruments.

31 December 2025	Valuation hierarchy level	Financial instruments at fair value over profit and loss	Financial instruments at amortized cost	Total book value	Total fair value
<b>Assets</b>					
Accounts receivable and other receivables	2	-	7 893 056	7 893 056	7 893 056
Bank deposits and cash	1	-	87 448 737	87 448 737	87 448 737
Interest rate swap	2	-	-	-	-
<b>Total financial assets</b>		<b>-</b>	<b>95 341 794</b>	<b>95 341 794</b>	<b>95 341 794</b>
<b>Liabilities</b>					
Debt to credit institutions	2	-	-748 615 862	-748 615 862	-748 615 862
Accounts payable and other debts	2	-	-42 132 026	-42 132 026	-42 132 026
Interest rate swap	2	-	-	-	-
<b>Total financial liabilities</b>		<b>-</b>	<b>-790 747 888</b>	<b>-790 747 888</b>	<b>-790 747 888</b>
Valuation level 1 (net)		-	87 448 737	87 448 737	87 448 737
Valuation level 2 (net)		-	-782 854 831	-782 854 831	-782 854 831
Valuation level 3 (net)		-	-	-	-

31 December 2024	Valuation hierarchy level	Financial instruments at fair value over profit and loss	Financial instruments at amortized cost	Total book value	Total fair value
<b>Assets</b>					
Accounts receivable and other receivables	2	-	7 867 886	7 867 886	7 867 886
Bank deposits and cash	1	-	80 989 728	80 989 728	80 989 728
Interest rate swap	2	170 921	-	170 921	170 921
<b>Total financial assets</b>		<b>170 921</b>	<b>88 857 614</b>	<b>89 028 535</b>	<b>89 028 535</b>
<b>Liabilities</b>					
Debt to credit institutions	2	-	-687 490 977	-687 490 977	-687 490 977
Accounts payable and other debts	2	-	-37 835 799	-37 835 799	-37 835 799
Interest rate swap	2	-	-	-	-
<b>Total financial liabilities</b>		<b>-</b>	<b>-725 326 776</b>	<b>-725 326 776</b>	<b>-725 326 776</b>
Valuation level 1 (net)		-	80 989 728	80 989 728	80 989 728
Valuation level 2 (net)		170 921	-717 458 890	-717 287 969	-717 287 969
Valuation level 3 (net)		-	-	-	-

31 December 2023	Valuation hierarchy level	Financial instruments at fair value over profit and loss	Financial instruments at amortized cost	Total book value	Total fair value
<b>Assets</b>					
Financial fixed assets	2	-	2 391 434	2 391 434	2 391 434
Accounts receivable and other receivables	2	-	6 298 097	6 298 097	6 298 097
Bank deposits and cash	1	-	40 887 760	40 887 760	40 887 760
Interest rate swap	2	626 685	-	626 685	626 685
<b>Total financial assets</b>		<b>626 685</b>	<b>49 577 292</b>	<b>50 203 977</b>	<b>50 203 977</b>
<b>Liabilities</b>					
Debt to credit institutions	2	-	-579 495 243	-579 495 243	-579 495 243
Accounts payable and other debts	2	-	-19 908 298	-19 908 298	-19 908 298
Interest rate swap	2	-	-	-	-
<b>Total financial liabilities</b>		<b>-</b>	<b>-599 403 541</b>	<b>-599 403 541</b>	<b>-599 403 541</b>
Valuation level 1 (net)		-	40 887 760	40 887 760	40 887 760
Valuation level 2 (net)		626 685	-590 714 009	-590 087 324	-590 087 324
Valuation level 3 (net)		-	-	-	-

**Fair value hierarchy**

The Group uses the following hierarchy to classify assets and liabilities, based on the input to the valuation methods used to measure and disclose their fair value.

**Level 1:** Use of quoted prices in active markets for identical assets and liabilities.

**Level 2:** Use of valuation methods with observable market data as input.

**Level 3:** Use of valuation methods where input is based on a significant degree of unobservable market data.

Valuation of financial instruments is performed by the group's finance department, in consultation with an external advisor. The valuation methods used are adapted to each financial instrument, and aim to make the most of the information available in the market.

**Fair value of financial instruments measured at fair value in the balance sheet**

Measurement of the fair value of the group's interest rate swaps and hedging instruments is valued based on inputs classified at level 2. The fair value of interest rate swaps and hedging instruments is estimated based on observable forward rates and yield curves, and confirmed by the financial institution with which the company has entered into the agreements.

**Fair value of financial instruments measured at amortized cost in the balance sheet**

In addition to the above-mentioned financial assets and liabilities which are carried in the balance sheet at fair value, the group's other financial assets and liabilities (financial instruments) are carried on the balance sheet at amortized cost. The fair value of these financial instruments as shown in the table above is expected to be approximately equal to the book value (amortized cost). The carrying value of bank deposits and cash is approximately equal to fair value due to the fact that these instruments have a short maturity. Correspondingly, the book value of receivables and trade payables is approximately equal to fair value as they are entered into under normal conditions and discounting is not assumed to have a significant effect. Bank loans are measured at the fair value of future cash flows, where account is taken of the assumed difference between the current margin and market conditions.

**Note 15 Long-term receivables**

	31 December 2025	31 December 2024	31 December 2023
Long-term receivables	151 017	2 509 405	2 391 000
<b>Total</b>	<b>151 017</b>	<b>2 509 405</b>	<b>2 391 000</b>

Receivables are valued at its recoverable value.

**Note 16 Other receivables and other current assets**

Other short term receivables as of 31.12:	31 December 2025	31 December 2024	31 December 2023
VAT receivable	313 298	1 472 848	1 698 386
Prepaid tax and duties	-	-	1 210 220
Prepaid payments to suppliers	2 198 510	237 099	516 142
Other	3 831	377 286	291 199
<b>Total</b>	<b>2 515 638</b>	<b>2 087 233</b>	<b>3 715 947</b>

**Note 17 Cash and bank deposits**

	31 December 2025	31 December 2024	31 December 2023
Bank deposits	87 448 737	80 989 728	40 887 760
<b>Total Bank deposits in the statement of financial position</b>	<b>87 448 737</b>	<b>80 989 728</b>	<b>40 887 760</b>
Restricted deposits related to employee tax deduction	53 132	134 592	137 152

**Note 18 Share capital and shareholder information**

As at 31.12 the share capital was divided as follows:

	Amount	Per value	Share capital
Ordinary shares	8 696 077	0.10	869 608
Own shares	5 765	0.10	577

As per 31.12 the 20 largest shareholders were:

Shareholders	Ordinary shares	Shareholding in %
UAB BALTIC EQUITY	3 316 700	38.1 %
CENTRALKIRKEN	1 098 260	12.6 %
NESTOR AS	426 409	4.9 %
AURIS AS	362 384	4.2 %
TRIVON AS	270 000	3.1 %
PIPPI INVEST AS	225 000	2.6 %
EIENDOMSKAPITAL NORGE V AS	160 000	1.8 %
BYDALSALLEEN 5 AS	157 789	1.8 %
HJORTESET, OLAV	150 000	1.7 %
PASCAL HOLDING AS	103 703	1.2 %
CLEARSTREAM BANKING S.A.	94 100	1.1 %
RIEVE KAPITAL AS	86 838	1.0 %
BRØDRENE HJORTESET AS	64 823	0.7 %
THOCA INVEST AS	60 000	0.7 %
HANS INVEST AS	60 000	0.7 %
ANDERSEN-GOTT, TORE	59 139	0.7 %
DUPUY, PASCAL FREDERIC	57 658	0.7 %
DUPUY, BERIT MYHRE	57 657	0.7 %
MULLAKS AS	56 600	0.7 %
BONAVISTA AS	52 628	0.6 %
<b>Total of the 20 largest shareholders</b>	<b>6 919 688</b>	<b>79.6 %</b>

Shares held by board of directors and senior executives as of 31.12:

Shareholders	Represented by	Role	Ordinary shares 2025	Ordinary shares 2024	Ordinary shares 2023
UAB Baltic Equity	James Clarke	Chairman	3 316 700	3 316 700	1 832 721
AURIS AS	Henrik Austgulen	Board member	362 384	262 384	-
HOLSTEIN INVEST AS	John Mosvold	Board member	32 861	32 861	32 861
MOSVOLD, JOHN DAVID	John Mosvold	Board member	22 276	22 276	22 276
HAGEN, BERGER & AAS AS	Lars C. Berger	CEO	13 334	13 334	13 334
ARTHEN INVEST AS	Lars C. Berger	CEO	16 609	16 609	3 709

## Note 19 Interest bearing liabilities

	31 December 2025	31 December 2024*	31 December 2023
Interest-bearing debt	748 615 862	687 490 977	654 415 000
Bank deposits	-87 448 737	-80 989 728	-40 888 000
Financial derivatives	0	-170 921	-626 000
<b>Net interest-bearing debt</b>	<b>661 167 125</b>	<b>606 330 328</b>	<b>612 901 000</b>
Investment properties (excl. additions related to IFRS 16)	1 426 189 035	1 316 121 298	1 121 339 510
<b>Group Net LTV*</b>	<b>46.4 %</b>	<b>46.1 %</b>	<b>54.8 %</b>

\* The difference to Net LTV in our Q4 2024 report was due to the loan amount for the Liepu Parkas development. While we reported this amount as drawn, as of 31.12.24, EUR 1,003,248 had not yet been drawn and was instead classified as short-term liabilities.

## Covenant requirements

All bank loans, except for UAB Grandus, are financed by Luminor Bank while UAB Grandus is financed by SEB. The group was not in breach of covenants at the end of the year 2025.

## Luminor:

- LTV\*: Max 70 % (consolidated)  
- DSCR\*\*: Minimum 1.20 (consolidated)  
- Cash buffer: 12 month interest in cash reserves in accounts

## SEB:

- LTV\*: Max 60 %  
- DSCR\*\*: Minimum 1.10

## Abbreviations explained:

\* LTV = Loan-to-value.

\*\* DSCR = The coverage ratio of EBITDA \*\*\* over total debt payment per year. In the BSP Group, this is only applied for the real estate SPV's holding assets with Mortgage. Hence, central administration and company costs in management companies and Holding companies are not part of EBITDA calculation for bank covenants.

\*\*\* EBITDA = Earnings Before Interest, Taxes, Depreciation, and Amortization.

## Note 20 Debt to credit institutions

	Non-current			Current		
	31 December 2025	31 December 2024	31 December 2023	31 December 2025	31 December 2024	31 December 2023
<b>Interest-bearing liabilities</b>						
Borrowings from credit institutions	720 248 330	657 057 870	616 954 774	28 367 531	30 433 106	27 918 014
Other interest-bearing liabilities	-	-	-	-	-	9 541 517
<b>Total interest-bearing liabilities</b>	<b>720 248 330</b>	<b>657 057 870</b>	<b>616 954 774</b>	<b>28 367 531</b>	<b>30 433 106</b>	<b>37 459 531</b>

	31 December 2025		31 December 2024		31 December 2023	
	Currency amount	NOK amount	Currency amount	NOK amount	Currency amount	NOK amount
EUR	56 738 134	700 317 248	51 574 835	638 758 285	53 866 065	605 481 577
NOK	48 298 614	48 298 614	48 732 692	48 732 692	48 932 728	48 932 728
<b>Total interest-bearing liabilities</b>		<b>748 615 862</b>		<b>687 490 977</b>		<b>654 414 305</b>

Interest-bearing liabilities - maturity 31 December 2025	2026	2027	2028	2029	2030	2031 and later	Total
<b>Total interest-bearing liabilities amount 1.1</b>	<b>748 428 136</b>	<b>721 514 922</b>	<b>694 601 708</b>	<b>667 688 495</b>	<b>640 775 281</b>	<b>613 862 067</b>	
Yearly amortisation of borrowings from credit institutions and other IBD*	26 913 214	26 913 214	26 913 214	26 913 214	26 913 214	26 913 214	161 479 283
Matured repayments of loans	-	49 987 334	-	-	-	586 948 853	636 936 187
<b>Total interest-bearing liabilities excl. prepaid borrowing expenses</b>	<b>26 913 214</b>	<b>76 900 548</b>	<b>26 913 214</b>	<b>26 913 214</b>	<b>26 913 214</b>	<b>613 862 067</b>	<b>798 415 470</b>
Interest to be paid on interest-bearing liabilities (margin) - 2% average	13 855 386	13 330 720	13 870 969	13 322 903	12 774 838	12 226 772	79 381 588
3-month Euribor (2.5%)	17 009 497	16 336 666	16 355 797	15 682 967	15 010 137	14 337 306	94 732 369
Interest rate SWAP - cost (diff between 5 swap and EUIBOR estimate)	82 880	82 880	82 880	82 880	82 880	82 880	497 280
Interest rate Mezzanine -	4 648 822	4 648 822	-	-	-	-	9 297 644
<b>Total interest payments</b>	<b>35 596 584</b>	<b>34 399 088</b>	<b>30 309 646</b>	<b>29 088 750</b>	<b>27 867 854</b>	<b>26 646 958</b>	<b>183 908 881</b>
New borrowings (development loan, investment loan, re-leverage etc.)	-	49 987 334	-	-	-	586 948 853	636 936 187
<b>Total future payments on interest-bearing liabilities</b>	<b>62 509 798</b>	<b>111 299 636</b>	<b>61 871 682</b>	<b>60 650 786</b>	<b>59 429 890</b>	<b>645 157 847</b>	<b>982 324 352</b>
<b>Total future payments excluding re-finance of whole portfolio</b>							<b>345 388 164</b>

Interest-bearing liabilities - maturity 31 December 2024	2025	2026	2027	2028	2029	2030 and later	Total
<b>Total interest-bearing liabilities amount 1.1</b>	<b>652 094 641</b>	<b>621 666 371</b>	<b>591 238 101</b>	<b>591 238 101</b>	<b>567 588 577</b>	<b>543 939 053</b>	
Yearly amortisation of borrowings from credit institutions and other IBD*	30 428 270	30 428 270	30 428 270	23 649 524	23 649 524		138 583 858
Matured repayments of loans			591 238 101				591 238 101
<b>Total interest-bearing liabilities excl. prepaid borrowing expenses</b>	<b>30 428 270</b>	<b>30 428 270</b>	<b>621 666 371</b>	<b>23 649 524</b>	<b>23 649 524</b>		<b>729 821 959</b>
Interest to be paid on interest-bearing liabilities (margin) - 2.19% average	18 534 102	17 870 854	17 870 854	12 689 152	12 171 228		79 136 190
3-month Euribor (4.0%)	18 534 102	16 677 436	16 677 436	15 933 867	15 283 505		83 106 346
Interest rate SWAP (0.58%) - income (estimate)							-
<b>Total interest payments</b>	<b>37 068 203</b>	<b>34 548 291</b>	<b>34 548 291</b>	<b>28 623 019</b>	<b>27 454 732</b>		<b>162 242 536</b>
New borrowings (development loan, investment loan, re-leverage etc.)			591 238 101				591 238 101
<b>Total future payments on interest-bearing liabilities</b>	<b>67 496 473</b>	<b>64 976 561</b>	<b>656 214 662</b>	<b>52 272 543</b>	<b>51 104 257</b>		<b>892 064 496</b>
<b>Total future payments excluding re-finance of whole portfolio</b>							<b>300 826 394</b>

Interest-bearing liabilities - maturity 31 December 2023	2024	2025	2026	2027	2028	2029 and later	Total
<b>Total interest-bearing liabilities amount 1.1</b>	<b>612 970 521</b>	<b>575 892 070</b>	<b>498 213 604</b>	<b>470 532 918</b>	<b>446 002 473</b>	<b>423 702 349</b>	
Yearly amortisation of borrowings from credit institutions and other IBD*	27 680 687	27 680 687	27 680 687	24 530 445	22 300 124		129 872 629
Matured repayments of loans	9 397 764	49 997 779			446 002 473		505 398 016
<b>Total interest-bearing liabilities excl. prepaid borrowing expenses</b>	<b>37 078 451</b>	<b>77 678 466</b>	<b>27 680 687</b>	<b>470 532 918</b>	<b>22 300 124</b>		<b>635 270 645</b>
Interest to be paid on interest-bearing liabilities (margin) - 2.19% average	18 138 381	15 906 064	10 607 774	10 036 063	9 523 268		64 211 550
3-month Euribor (4.0%)	23 282 952	22 482 069	19 374 930	18 330 708	17 394 096		100 864 756
Interest rate SWAP (0.58%) - income (estimate)	-480 038	-480 038	-480 038				-1 440 114
<b>Total interest payments</b>	<b>40 941 295</b>	<b>37 908 095</b>	<b>29 502 667</b>	<b>28 366 770</b>	<b>26 917 364</b>		<b>163 636 192</b>
New borrowings (development loan, investment loan, re-leverage etc.)					446 002 473		
<b>Total future payments on interest-bearing liabilities</b>	<b>78 019 746</b>	<b>115 586 561</b>	<b>57 183 354</b>	<b>498 899 688</b>	<b>49 217 488</b>		<b>798 906 836</b>
<b>Total future payments excluding re-finance of whole portfolio</b>							<b>291 277 260</b>

\* IBD = Interest-Bearing Debt

**Note 21 Other short-term debt**

Other short-term liabilities in the group as of 31/12:

	31 December 2025	31 December 2024	31 December 2023
Prepaid payments from tenants	12 793 495	11 820	9 089 542
Unpaid dividends	465 711	465 711	422 920
Accrued holiday pay	1 368 941	1 272 044	1 002 453
Other salary provisions	1 807 748	1 694 278	1 600 169
Payable dues and other taxes	2 849 721	3 016 611	3 812 022
Other	5 796 035	7 352 262	743 747
<b>Total</b>	<b>25 081 651</b>	<b>13 812 725</b>	<b>16 670 853</b>

Mezzanine loan and seller's credit is classified as interest-bearing debt in the balance sheet and are therefore specified under note 20.

**Note 22 Financial risk management**

The group is exposed to financial risk through variations in interest rates and exchange rates. The group is also dependent on access to financing in the banking and capital markets. The risk of losses on receivables is also closely monitored because of the general market turbulence and Russia's continued occupation of Ukraine and its effect on the Baltic states and the global economy.

**Capital Management**

Capital management focuses on the optimal balance between equity and debt in a group's capital structure. It aims to maximize shareholder value and ensure long-term financial stability by minimizing the cost of capital and maintaining an appropriate level of financial flexibility for its operations. It is among the group's publicly stated goals and objectives "to target an annual dividend of 1.5-3.0 % of NAV (Net Asset Value)".

Currently the board has set a target in its investment and company strategy to not go over 60 % loan-to-value and maintain a minimum 12-month interest coverage liquidity buffer. At the date of this report, the net loan to value ratio for the group's real estate portfolio is 46.4 % and including the group leverage positions 52.5 % (excluding cash reserves). The group's total cash position was MNOK 87.5 per 31.12.2025, which is considered in line with the strategy on cash reserves of minimum 12 month interest coverage.

The Group is exposed to financial risk and has defined the following relevant risk areas:

**Credit risk**

Credit risk is assessed at group level and is mainly linked to the risk of incurring losses as a result of tenants not paying the agreed rent. Rent payment is normally secured with a rent deposit or payment guarantees from banks or guaranteed by parent companies, with a high credit rating. In recent years, the group has had relatively low losses on rental claims, and the risk that the group will incur significant losses because of bankruptcies among tenants, is considered moderate. BSP Group currently has minimal vacancy and forecasts a stable outlook for its portfolio, with some contingencies. (The only exception is the Vilnius East Terminal, which has vacancy from 1st of January 2026. While vacancy is primarily an operational risk matter, it is noted here as it directly affects the pool of rental income exposed to credit risk. However, management is actively engaged in leasing efforts and anticipates that the park will be fully leased by the end of 2026.) In recent years, rental losses have accounted for less than 0.5 % of the group's rental income.

Please refer to note 20 for maturity analysis related to the group's debt and other payables.

**Liquidity risk**

Liquidity risk is the risk that the group will encounter difficulty in meeting the financial liabilities when they are due. The liquidity risk is mitigated by having adequate cash/liquidity reserves, a moderate loan-to-value ratio and long-term loan agreements. The liquidity reserve consists of liquid current assets and unused long-term credit lines in larger financial institutions. The board has set targets for the group's liquidity reserves which will both ensure financial freedom of action to be able to exploit investment opportunities quickly, and to contribute to significantly reducing the financial risk. The liquidity risk linked to the refinancing of the group's debt is mitigated by balancing the refinancing need within the next period in relation to the group's liquidity reserve.

There are financial covenant requirements (loan conditions) in all of the group's bank loan agreements related to equity share, debt service cost coverage ratio and loan-to-value ratio. The group has fulfilled all requirements in the loan agreements in the financial year. The group has a decent to good margin in relation to the defined covenant requirements, and the risk of breach of these requirements is considered to be low for the next 12 months. The group has assessed that there is a low probability that the current geopolitical/market turbulence will affect the group's ability to service its financial liabilities in the next 12 months.

Optimisation of the group's short-term and long-term financing is a natural part of the group's daily operations, and the group makes ongoing strategic assessments in this connection, which may include the sale of assets, refinancing of existing loans, bond financing, M&A, and/or raising capital from the group's shareholders or external investors to ensure continued operations. Please refer to note 20 for maturity analysis related to the group's debt and other payables.

**Currency risk**

The group is also exposed to currency risk against NOK, as the group's investments, revenues, and the majority of costs are in euros. All properties are financed through debt in euros, collectively forming a natural hedge for part of the currency risk. The remaining exposure is not hedged by the Group, in line with the company's strategy to allow investments in Baltic Sea Properties to also include a euro exposure for the investor.

Sensitivity analyses for items recognised in other comprehensive income (OCI) are not relevant for the Group, as the Group is not exposed to such items.

**Interest rate risk**

Changes in interest rates can have a significant impact on the value of real estate assets, the cost of financing, and the ability of real estate companies to generate income. The risk associated with unpredictable cost of financing, can be mitigated by having a portion of long-term fixed interest rates in the financing mix. The board closely discuss targets for the share of fixed interest depending on the cost at the time. Interest positions and interest profiles are reported to the board on a regular basis. BSP Group continues to refine its Finance Policy, including its interest hedging strategy, ensuring an optimal balance between fixed and variable interest costs. Interest rate positions, covenant compliance and financing profiles are reviewed regularly and reported to the Board.

**Interest rate risk**

Changes in interest rates can have a significant impact on the value of real estate assets, the cost of financing, and the ability of real estate companies to generate income. The risk associated with unpredictable cost of financing, can be mitigated by having a portion of long-term fixed interest rates in the financing mix. The board closely discuss targets for the share of fixed interest depending on the cost at the time. Interest positions and interest profiles are reported to the board on a regular basis. BSP Group continues to refine its Finance Policy, including its interest hedging strategy, ensuring an optimal balance between fixed and variable interest costs. Interest rate positions, covenant compliance and financing profiles are reviewed regularly and reported to the Board.

**Sensitivity**

31/12/2025				
Euribor interest rate - sensitivity (effect of interest swaps not included)	Interest cost p.a (bank margin)	EURIBOR cost p.a	Full interest + Euribor cost p.a	Effective interest margin
1.5 %	13 934 589	9 588 020	23 522 609	3.68 %
2.0 %	13 934 589	12 784 027	26 718 616	4.18 %
2.5 %	13 934 589	15 980 034	29 914 623	4.68 %
3.0 %	13 934 589	19 176 040	33 110 630	5.18 %
3.5 %	13 934 589	22 372 047	36 306 636	5.68 %
Shows cost at 3-month EURIBOR at respective rates. (Actual rate at year-end was 2.0 %.)				

31/12/2024				
Euribor interest rate - sensitivity (effect of interest swaps not included)	Interest cost p.a (bank margin)	EURIBOR cost p.a	Full interest + Euribor cost p.a	Effective interest margin
1.5 %	13 878 112	9 549 160	23 427 272	3.68 %
2.0 %	13 878 112	12 732 213	26 610 325	4.18 %
2.5 %	13 878 112	15 915 266	29 793 378	4.68 %
3.0 %	13 878 112	19 098 319	32 976 431	5.18 %
3.5 %	13 878 112	22 281 373	36 159 485	5.68 %
Shows cost at 3-month EURIBOR at respective rates. (Actual rate at year-end was 2.7 %.)				

31/12/2023				
Euribor interest rate - sensitivity (effect of interest swaps not included)	Interest cost p.a (bank margin)	EURIBOR cost p.a	Full interest + Euribor cost p.a	Effective interest margin
2.0 %	NOK 12 737 330	NOK 11 641 994	NOK 24 379 324	4.19 %
2.5 %	NOK 12 737 330	NOK 14 552 493	NOK 27 289 823	4.69 %
3.0 %	NOK 12 737 330	NOK 17 462 991	NOK 30 200 321	5.19 %
3.5 %	NOK 12 737 330	NOK 20 373 490	NOK 33 110 820	5.69 %
4.0 %	NOK 12 737 330	NOK 23 283 988	NOK 36 021 318	6.19 %
Shows cost at 3-month EURIBOR at respective rates. (Actual rate at year-end was 3.9 %.)				

The table shows the sensitivity and effect of budgeted interest cost (fixed bank margin) plus a 3-month EURIBOR assumption on a range between 2% - 4% in the respective period.

The sensitivity table presented above does not consider Group financing options like mezzanine facilities, as they do not include a Euribor component. It should be noted that the margins for the mezzanine facilities are 9% for Ambolt mezzanine.

Further reference is made to finance table overview in note 20.

**Note 23 Subsidiaries**

The following companies are part of the group and therefore consolidated in the Consolidated financial statement

Company	Ownership	Office	Percentage ownership
<b>Direct ownership:</b>			
BSP Asset Management Klaipėda UAB	Direct	Klaipėda, Lithuania	100%
BSP Holding LT UAB	Direct	Vilnius, Lithuania	100%
BSP Asset Management UAB	Direct	Vilnius, Lithuania	100%
<b>Indirect ownership (owned via BSP Holding LT UAB):</b>			
BSP Logistic Property UAB	Indirect	Vilnius, Lithuania	100%
BSP Logistic Property II UAB	Indirect	Vilnius, Lithuania	100%
BSP Logistic Property IV UAB	Indirect	Vilnius, Lithuania	100%
BSP Logistic Property V UAB	Indirect	Vilnius, Lithuania	100%
BSP Logistic Property VI UAB	Indirect	Vilnius, Lithuania	100%
BSP Logistic Property VII UAB	Indirect	Vilnius, Lithuania	100%
BSP Logistic Property VIII UAB	Indirect	Vilnius, Lithuania	100%
BSP Logistic Property IX UAB	Indirect	Vilnius, Lithuania	100%
BSP Industrial Property III UAB	Indirect	Vilnius, Lithuania	100%
BSP Industrial Property IV UAB	Indirect	Vilnius, Lithuania	100%
BSP Retail Properties I UAB	Indirect	Vilnius, Lithuania	100%
BSP Retail Properties V UAB	Indirect	Vilnius, Lithuania	100%
Klaipėdos Verslo Parkas UAB	Indirect	Klaipėda, Lithuania	100%
Liepų Parkas UAB	Indirect	Klaipėda, Lithuania	100%
Pastatų Vystymas UAB	Indirect	Klaipėda, Lithuania	100%
Prekybos Centras Grandus UAB	Indirect	Klaipėda, Lithuania	100%

**Note 24 Segment information and rental income**

The group has one operational segment as there are no material differences in risk and returns in the economic environments in which the company operates. The property portfolio consists of properties in Lithuania and internal reporting is consolidated into one reporting segment.

Rental income	Segment	Geography	2025	2024	2023
Income from tenants	Investment property	Lithuania	105 602 431	96 413 264	91 286 411
<b>Total rental income</b>			<b>105 602 431</b>	<b>96 413 264</b>	<b>91 286 411</b>

**Customers that aggregate 10 % or more of the Group's total revenues are disclosed in the table below**

	2025	2024	2023
Logistics tenant 1	13 257 241	13 981 096	13 264 013
Logistics tenant 2	12 139 571	13 295 102	12 907 721
Logistics tenant 3	12 148 299	11 804 584	11 397 331
Logistics tenant 4	11 280 358	11 116 977	10 499 181

**Lease management**

The group mainly enters into long-term lease contracts with solid counterparties. The lease contracts mainly has fixed rent and include CPI increases.

**The group's future accumulated rent from operational lease contracts per 31.12**

The following table specifies contractual annual rent. Contracts at maturity are assumed not renewed or replaced by market rent (this to illustrate contractual revenue streams as per balance sheet date).

Please also refer to maturity analysis in the tables below.

Amounts in NOK thousand	2025	2024	2023
Less than 1 year	NOK 119 427	NOK 106 710	NOK 93 559
Between 1 and 2 years	NOK 118 370	NOK 94 552	NOK 93 559
Between 2 and 3 years	NOK 109 908	NOK 93 499	NOK 81 069
Between 3 and 4 years	NOK 109 908	NOK 93 499	NOK 81 069
Between 4 and 5 years	NOK 90 945	NOK 74 605	NOK 63 434
Between 5 and 6 years	NOK 77 461	NOK 61 170	NOK 63 434
Total (<6 years)	NOK 626 019	NOK 524 038	NOK 476 124

**The group's lease contracts per 31.12.2025 have the following maturity structure measured in annual rent\***

Amounts in EUR thousand	No of contracts	Contract rent (EUR)	Contract rent, %
Less than 1 year	1	€ 89	1.00 %
Between 1 and 5 years	3	€ 3 454	38.0 %
Between 5 and 10 years	4	€ 2 515	27.60 %
Over 10 years	5	€ 3 040	33.4 %
<b>Total</b>	<b>12</b>	<b>€ 9 009</b>	<b>100 %</b>

**The group's lease contracts per 31.12.2024 have the following maturity structure measured in annual rent\***

Amounts in EUR thousand	No of contracts	Contract rent (EUR)	Contract rent, %
Less than 1 year	-	-	-
Between 1 and 5 years	4	€ 3 859	42.7 %
Between 5 and 10 years	-	-	-
Over 10 years	8	€ 5 183	57.3 %
<b>Total</b>	<b>12</b>	<b>€ 9 042</b>	<b>100%</b>

**The group's lease contracts per 31.12.2023 have the following maturity structure measured in annual rent\***

Amounts in EUR thousand	No of contracts	Contract rent (EUR)	Contract rent, %
Less than 1 year	-	-	-
Between 1 and 5 years	4	€ 3 788	45.5 %
Between 5 and 10 years	-	-	-
Over 10 years	7	€ 4 536	54.5 %
<b>Total</b>	<b>11</b>	<b>€ 8 324</b>	<b>100%</b>

\* Grandus Shopping centre, the retail portfolio in BSP Retail Properties I UAB and Klaipeda Business Park are multi-tenant, but here presented as having one contract party.

**Note 25 Reconciliation of liabilities from financing activities**

Amounts in NOK thousand

	2025		2024		2023	
	Interest-bearing debt	Lease obligations	Interest-bearing debt	Lease obligations	Interest-bearing debt	Lease obligations
<b>Liabilities as of 01.01</b>	<b>689 188</b>	<b>29 283</b>	<b>654 415</b>	<b>29 283</b>	<b>600 094</b>	<b>24 139</b>
New interest-bearing debt	80 305	-	42 204	-	64 260	-
Down-payment on interest bearing debt	-21 769	-	-38 572	-	-53 993	-
Increase lease liabilities	-	812	-	812	-	1 562
Down-payment lease liabilities	-	-1 056	-	-1 056	-	-1 050
Reclassification from long-term to short-term debt	-	-	-	-	-	-
Exchange rate effects	892	1 445	31 142	1 445	44 054	4 632
<b>Liabilities as of 31.12</b>	<b>748 616</b>	<b>30 484</b>	<b>689 188</b>	<b>30 484</b>	<b>654 414</b>	<b>29 283</b>

**Note 26 Uncertain liabilities**

In 2011, the tax authorities requested information from the parent company regarding previously deducted issue costs related to the balance sheet for 2006. The parent company was then able to reduce its carry forward loss by NOK 23,688,757. This was part of the issue/facilitation fee that was considered to be part of the investment and therefore not give a tax deduction. Furthermore, the decision states that additional tax of 30% of the tax of NOK 23,688,757, a total of NOK 7,106,633, will be effected in the first year the company makes a tax profit. There is thus a contingent liability of NOK 1,989,856 for which there is no provision in the accounts as the company considers it less than 50% likely that it will make a tax profit. This assessment is based on the fact that the company's main source of income is dividends from subsidiaries, which are not subject to taxation.

Per 31.12.2025, the parent company had a deferred tax asset of MNOK 9.1 which the company has chosen to not book in its balance sheet as it not expects to come in a position of taxation where it will be able to make use of the tax asset.

**Note 27 Transactions with related parties**

During 2024 and 2025, certain Group entities engaged UAB "Baltijos maitinimo paslaugos" (BMP) — a company directed by Marina Clarke, spouse of James Clarke (Chairman of the Board, majority shareholder & CIO in Baltic Sea Properties) — for marketing services and catering & event services. Total fees paid to BMP amounted to EUR 15,563 (NOK 180,960) in 2024 and EUR 22,309 (NOK 261,403) in 2025. All the transactions have been carried out as part of the ordinary operations and at arms-length prices.

(Please refer to Note 18 for details on the Board of Directors' and senior executives' subscription of shares in the private placement in May 2024.)

**Note 28 Geopolitical risks**

Russia's invasion of Ukraine and broader geopolitical tensions between Russia and Western countries continue to shape the security and economic outlook for the region. Sanctions on Russia and Belarus have structurally changed regional trade flows and logistics patterns, which may affect some tenants operating in transit, logistics or manufacturing sectors. In addition, changes in global trade policy, including tariffs or protectionist measures between major economies, may influence global supply chains and logistics demand, with potential effects on tenant activity and economic growth in the region.

The Baltic states are members of NATO and the EU, providing strong political and institutional alignment with Western partners. Regional governments have increased defence spending and strengthened regional cooperation in response to the security environment. The Baltic states have also reduced reliance on Russian energy systems and synchronised their electricity grids with the continental European network (ENTSO-E), improving long-term energy security.

Also, recent escalation of tensions in the Middle East, including U.S.-led strikes on Iranian targets and subsequent regional responses, has increased instability in the Persian Gulf and disrupted shipping activity in the Strait of Hormuz, a key global energy transit route. Any prolonged disruption to energy supply could lead to higher energy prices globally, contributing to renewed inflationary pressure, tighter financial conditions and increased operating costs for businesses.

Despite these challenges, our operations remain stable, with no direct disruptions. BSP Group maintains a diversified tenant base and close dialogue with tenants to monitor developments affecting logistics flows and industrial activity. While external uncertainties remain, we maintain a cautious and adaptive approach to ensure resilience in a changing environment.

**Note 29 Events after reporting date**

**Liepų parkas**

In February 2026, we completed the second stage of Liepų Parkas — a 2,475 m<sup>2</sup> A++ energy-class building — and handed it over to UAB Inchcape Auto for BMW, BMW Motorrad, and BYD showrooms and service. The third multi-tenant building is currently in advanced stages of construction and is expected to be completed during 2026, with over 65% of space already pre-leased. The fourth building remains at preliminary stage in the development pipeline. Upon full completion, the park is expected to comprise close to 15,000 m<sup>2</sup>.

**Share buy-back program**

In February 2026, the Board of Directors has resolved to initiate a share buyback programme for the repurchase of the Company's own shares for up to NOK 5 million. The decision was made pursuant to item 12 of the resolutions adopted by the General Meeting on 15<sup>th</sup> of May 2025 and announced in a stock market announcement on 27<sup>th</sup> of February 2026.

**New interest rate swap agreement**

Subsequent to balance date, the Group entered into a new interest rate swap agreement with a notional principal of EUR 10,000,000, fixed at an interest rate of 2.57% per annum, maturing on 30<sup>th</sup> of May 2030. The underlying loan exposure is non-amortising in nature, and the new swap brings the Group's total hedged position to approximately 16% of its existing loan exposure.

The decision to enter into this arrangement reflects the Group's commitment to prudent financial risk management. The Group regularly reviews its hedging position as an integral part of its ongoing risk management framework, ensuring that its exposure to interest rate movements is assessed and managed on a continuous basis. Given the heightened volatility currently observed in global interest rate markets, management considered it appropriate to incrementally increase the proportion of fixed-rate hedging in order to reduce the Group's sensitivity to adverse rate movements and provide greater certainty over future financing costs.

Management has reviewed events after the reporting date and has not identified any other matters requiring disclosure.



## Annual Financial Statement 2025 for the Parent Company

Amounts in NOK

Income Statement	Note	31 December 2025	31 December 2024
<b>Operating income</b>			
Other operating income	2	4 696 880	4 979 792
<b>Sum operating income</b>		<b>4 696 880</b>	<b>4 979 792</b>
<b>Operating expenses</b>			
Wages and social costs	3	5 300 587	4 742 872
Depreciations on fixed assets	4	306 824	254 517
Other operating expenses	3,5	3 583 555	3 815 603
<b>Sum operating expenses</b>		<b>9 190 966</b>	<b>8 812 992</b>
<b>Profit from operations</b>		<b>-4 494 086</b>	<b>-3 833 200</b>
<b>Financial income &amp; expenses</b>			
Dividends received from subsidiaries	6	-	-
Interest income from subsidiaries	6	7 979 979	10 317 079
Other interest income		338 241	588 411
Currency gain (+) / loss (-)	7	1 023 333	10 226 279
Other interest expenses	8	4 715 929	4 645 564
Impairment of non-current financial assets (+) / Reversal of previous years' impairment of non-current financial assets (-)	6	-	4 452 751
Other financial expenses	8,7	868 246	808 300
<b>Net profit from financial items</b>		<b>3 757 378</b>	<b>11 225 153</b>
<b>Profit before taxes</b>		<b>-736 708</b>	<b>7 391 953</b>
Corporate income tax	9	-	-
Change in deferred taxes	9	-	-
<b>Taxes on profit</b>		<b>-</b>	<b>-</b>
<b>PROFIT AFTER TAXES</b>		<b>-736 708</b>	<b>7 391 953</b>
<b>Allocation of profit</b>			
Dividend (distributed during the accounting year) <sup>1</sup>	10	17 383 702	11 692 030
Transferred to/from retained earnings	10	-18 120 410	-4 300 077
<b>Sum allocation</b>		<b>-736 708</b>	<b>7 391 953</b>

<sup>1</sup> NOK 17 383 702 (NOK 2.00 per share) was distributed as dividend in May 2025, in accordance with the decision of the AGM held on the 15<sup>th</sup> of May 2025.  
NOK 11 692 030 (NOK 1.75 per share) was distributed as dividend in June 2024, in accordance with the decision of the AGM held on the 6<sup>th</sup> of June 2024.

## Annual Financial Statement 2025 for the Parent Company

Amounts in NOK

Balance Sheet	Note	31 December 2025	31 December 2024
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
<b>Fixed assets</b>			
Other fixed assets	4	713 069	1 019 894
<b>Sum fixed assets</b>		<b>713 069</b>	<b>1 019 894</b>
<b>Non-current financial assets</b>			
Investments in subsidiaries	6	10 609 166	10 609 166
Loans to subsidiaries	6	229 028 627	232 255 587
<b>Sum non-current financial assets</b>		<b>239 637 794</b>	<b>242 864 754</b>
<b>Sum fixed assets</b>		<b>240 350 863</b>	<b>243 884 647</b>
<b>CURRENT ASSETS</b>			
<b>Accounts receivable</b>			
Trade receivables		867 233	1 023 821
Other accounts receivable	11	281 040	56 137
<b>Sum accounts receivable</b>		<b>1 148 274</b>	<b>1 079 958</b>
<b>Cash and cash equivalents</b>			
Cash and cash equivalents	12	34 303 511	48 316 437
<b>Sum current assets</b>		<b>35 451 784</b>	<b>49 396 395</b>
<b>SUM ASSETS</b>		<b>275 802 647</b>	<b>293 281 042</b>

## Annual Financial Statement 2025 for the Parent Company

Amounts in NOK

Balance Sheet	Note	31 December 2025	31 December 2024
<b>EQUITY</b>			
<b>Paid-in equity</b>			
Share capital	10, 13	869 608	869 608
Treasury shares	10, 13	-577	-861
Share premium	10	214 031 393	214 031 393
<b>Sum paid-in equity</b>		<b>214 900 424</b>	<b>214 900 139</b>
<b>Retained earnings</b>			
Retained earnings	10	8 858 302	26 848 763
<b>Sum retained earnings</b>		<b>8 858 302</b>	<b>26 848 763</b>
<b>Sum equity</b>		<b>223 758 726</b>	<b>241 748 903</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Non-current borrowings from subsidiaries	6	118 356	118 751
Other non-current liabilities	8	50 424 186	50 000 000
<b>Sum non-current liabilities</b>		<b>50 542 542</b>	<b>50 118 751</b>
<b>Current liabilities</b>			
Trade payables		959 605	506 682
Payable dues and other taxes		76 063	135 883
Current borrowings from subsidiaries	6	-	-
Other current liabilities	8, 14	465 711	770 824
<b>Sum current liabilities</b>		<b>1 501 379</b>	<b>1 413 388</b>
<b>Sum liabilities</b>		<b>52 043 921</b>	<b>51 532 140</b>
<b>SUM EQUITY &amp; LIABILITIES</b>		<b>275 802 647</b>	<b>293 281 042</b>

Oslo, the 15<sup>th</sup> of April 2026


James Andrew Clarke  
Chairman of the Board



Henrik Austgulen  
Board Member



John David Mosvold  
Board Member



Lars Christian Berger  
CEO

## Annual Financial Statement 2025 for the Parent Company

Amounts in NOK

Cash Flow Statement	31 December 2025	31 December 2024
<b>Cash flows from operating activities</b>		
Profit before tax	-736 708	7 391 953
+/- Depreciations	306 824	254 517
- Impairment of financial assets	-	4 452 751
- Gains from sale of shares	-	-
+/- Change in trade receivables and other receivables	-68 316	-360 434
+/- Change in trade payables	452 923	99 716
+/- Change in other borrowings	59 253	-243 121
+/- Items classified as financial items	-4 286 911	-11 448 859
= Net cash flows from operating activities	<b>-4 272 933</b>	<b>146 522</b>
<b>Cash flows from investment activities</b>		
- Purchases of fixed assets (incl. reclassifications)	-	-499 260
- Purchases of shares	-	-
+ Received dividend from subsidiaries	-	-
= Net cash flows from investment activities	<b>-</b>	<b>-499 260</b>
<b>Cash flows from financing activities</b>		
+/- Net changes in non-current financial debts	-4 716 400	-9 094 498
+/- Net changes in non-current loans to/from subsidiaries	12 764 628	-27 368 786
- Distribution of dividends	-17 383 702	-11 649 239
+/- Capital increase	130 233	95 444 156
= Net cash flows from financing activities	<b>-9 205 241</b>	<b>47 331 633</b>
+/- Effects from currency differences on cash and cash equivalents	-534 752	341 140
= Net change in cash and cash equivalents	<b>-14 012 926</b>	<b>47 320 036</b>
+ Cash and cash equivalents at beginning of period	48 316 437	996 401
= Cash and cash equivalents at end of period	<b>34 303 511</b>	<b>48 316 437</b>
Restricted deposits per 31.12 related to employee tax deduction	53 132	134 592

## Notes to the annual financial statements 2025 for the Parent Company

## Note 1 Accounting Principles

The annual accounts have been drawn up in accordance with the Accounting Act ("regnskapsloven") and prepared according to Norwegian accounting standards and recommendations for good accounting practice ("God regnskapskikk (GRS)"). The annual accounts have been prepared with the assumption of continued operations, cf. Section 3-3a of the Accounting Act (regnskapsloven).

## Sales revenue and operating costs

The parent company's operating income derives from the sale of management services to its own subsidiaries. The parent company's operating income is recognized in the income statement when it is earned ("opptjeningsprinsippet"), while operating expenses are recognized in the income statement in the same period as the income is earned ("sammenstillingsprinsippet"). Operating income related to re invoicing is netted against the operating cost that is re invoiced.

## Cash flow statement

The parent company's cash flow statement has been prepared using the indirect method.

## Pension

The parent company is obliged to have an occupational pension scheme in accordance with the Mandatory Occupational Pensions Act ("lov om obligatorisk tjenestepensjon"). The pension schemes in the Norwegian company satisfy the requirements of this act. Defined contribution pension schemes mean that no promise is made of a future pension of a given amount, but an annual contribution is paid to the employees' collective pension savings. The future pension will depend on the size of the subsidy and the annual return on the pension savings. The company has no further obligations related to the work input after the annual deposit has been paid. There is no provision for accrued pension obligations in such schemes. Defined contribution pension schemes are expensed directly and include all employees in the Norwegian company.

## Main principles for assessment and classification of assets and liabilities

Fixed assets with a limited economic life are entered in the balance sheet at acquisition cost and are subject to scheduled depreciation. Share investments are classified as financial fixed assets and are booked at the lower of acquisition cost and fair value. Dividends received and other profit distributions from the subsidiaries are recognized as other financial income. Current assets are valued at the lower of acquisition cost and fair value.

Assets intended for permanent ownership or use are classified as fixed assets. Other assets are classified as current assets. Fixed assets are assessed at acquisition cost but written down to fair value when the decline in value is not expected to be temporary. Fixed assets with a limited economic life are depreciated linearly over their expected economic life. As of 31/12/2025, all assets were permanent property.

Accounts receivable and other receivables are entered at face value after deduction for provisions for expected losses. The provision for losses is made on the basis of an individual assessment of the individual claims.

The company's long-term and short-term liabilities are entered in the balance sheet at the nominal amount received at the time of establishment. The debt is not subject to upward/downward assessments as a result of interest rate changes. 1st year installments are classified as short-term debt.

## Long-term shares

Long-term shares where Baltic Sea Properties does not have significant influence are entered in the balance sheet at acquisition cost. The investments are written down to fair value if the decline in value is not temporary. Received dividends and other profit distributions are recognized as other financial income.

## Tax

Tax is expensed when it is incurred, i.e. the tax cost is linked to the accounting profit before tax. The tax cost consists of payable tax and changes in deferred tax. Deferred tax in the balance sheet is calculated on the basis of temporary differences between accounting and tax values. The reason for deferred tax is different accruals of the accounting and tax results.

## Conversion of foreign currency

Assets and liabilities in foreign currency are converted to NOK at the exchange rate on the balance sheet date, while income and costs in foreign currency are converted to NOK at average exchange rate.

Transactions in foreign currency are converted to NOK using the transaction rate. Currency gains and losses arising from the payment of such transactions, and from the conversion of monetary items (assets and liabilities) in foreign currency at the end of the year at the exchange rate on the balance sheet date, is recognized in profit and loss.

The following exchange rates (NOK/EUR) have been used in the preparation of the accounts:

	2025	2024
Exchange rate on balance sheet date	11.8430	11.7950
Average exchange rate	11.7174	11.6276

## Investment in subsidiaries

Investment in subsidiaries Investments in subsidiaries are assessed in the company's financial statement according to the cost method. Investments are assessed at acquisition cost for the shares, unless impairments are found necessary. Impairments to fair value are made when the decline in value is due to reasons that cannot be assumed to be temporary and must be considered necessary according to good accounting practice. Impairments are reversed when the basis for the impairment is no longer present. Dividends received from the subsidiaries are recognized as other financial income.

## Note 2 Other operating income

The parent company booked other operating income consisting of invoices for management services issued to:

	2025	2024
External clients	-	-
BSP Logistic Property UAB	-	804 682
BSP Logistic Property II UAB	-	1 103 532
BSP Logistic Property IV UAB	-	1 149 535
BSP Logistic Property V UAB	-	873 652
BSP Logistic Property VI UAB	-	427 619
BSP Logistic Property VII UAB	-	86 213
BSP Logistic Property VIII UAB	-	172 427
BSP Retail Properties I UAB	-	178 186
UAB Retail Properties V UAB	-	183 945
BSP Asset Management Klaipėda UAB	1 643 908	-
BSP Asset Management UAB	3 052 972	-
<b>Sum</b>	<b>4 696 880</b>	<b>4 979 792</b>

The parent company invoices subsidiaries for services according to set guidelines for the group and the arm's length principle.

## Note 3 Wages and social costs

The parent company's wages and social costs for the year were:

Wages/allowances	2025	2024
Wages	2 894 770	2 477 469
Bonuses	569 857	355 826
Board remuneration	970 000	1 050 000
Employer's tax ("Arbeidsgiveravgift")	652 071	639 970
Other social costs	213 888	219 608
<b>Sum</b>	<b>5 300 587</b>	<b>4 742 872</b>

Distribution of wages/allowances (excl. Employer's tax)	2025	2024
CEO of parent company (excl. bonus)	1 942 337	1 725 159
Bonuses (incl. CEO's bonus)	329 522	318 144
Chairman of the Board	300 000	300 000
Other board members	670 000	750 000
Other employees and contractors	1 406 657	1 009 600
<b>Sum</b>	<b>4 648 515</b>	<b>4 102 903</b>

Full-time equivalents employed: 2.0 1.8

No loans have been given to employees as of 31.12.25 or 31.12.24. No guarantees have been given on behalf of employees or members of the board. In 2025, the CEO received a total remuneration of NOK 2.2 million (ex. employer's tax) including bonus, of which NOK 93 548 are pension costs and NOK 32 134 other benefits. The CEO is entitled to 6 months' salary upon termination of employment.

The company is subject to the rules on mandatory occupational pensions ("obligatorisk tjenestepensjon").

Auditor	2025	2024
Statutory audit	960 250	1 069 196
Tax advisory	32 000	28 840
Other services	0	-
<b>Sum audit fees (ex. VAT reclaimed)</b>	<b>992 250</b>	<b>1 098 036</b>

## Note 4 Fixed assets

	Office machines	Other fixed assets	Sum
<b>Book value 1.1.2025</b>	<b>9 675</b>	<b>1 010 219</b>	<b>1 019 894</b>
Acquisitions	0	0	0
Disposals	-	-	0
This year's depreciation	-8 921	-297 903	-306 824
<b>Book value 31.12.2025</b>	<b>754</b>	<b>712 316</b>	<b>713 069</b>

Note 5 Operating expenses

	2025	2024
Audit fees	992 250	1 098 036
Financial and legal assistance	780 039	1 140 048
Office rent	279 473	85 329
IT expenses	495 318	323 197
Shareholder registry, etc.	180 366	188 879
Travel expenses, etc.	392 891	368 848
Insurance	150 000	24 689
Other operating expenses	313 218	588 577
<b>Sum other operating expenses</b>	<b>3 583 555</b>	<b>3 815 603</b>



Note 6 Subsidiaries

The main purpose of Baltic Sea Properties AS is to invest in companies in the Baltics which in turn invest in and develop properties for sale and rental, as well as management services for these.

Entity	Ownership	Office location	Stake	Booked equity 31.12	Profit/Loss 31.12	Loan to subsidiary 31.12	Year's interest income	Debt to subsidiary 31.12	Year's interest expense
<b>Direct ownership:</b>									
BSP Asset Management Klaipėda UAB	Direct	Klaipėda, Lithuania	100%	-2 326 964	-1 609 406	-	-	-	-
BSP Holding LT UAB	Direct	Vilnius, Lithuania	100%	223 488 323	201 616 574	226 446 916	7 947 372	-	-
BSP Asset Management UAB	Direct	Vilnius, Lithuania	100%	3 241 069	-146 335	2 581 711	32 607	-	-
<b>Indirect ownership (owned via BSP Holding LT UAB):</b>									
BSP Logistic Property UAB	Indirect	Vilnius, Lithuania	100%	58 848 200	3 453 165	-	-	-	-
BSP Logistic Property II UAB	Indirect	Vilnius, Lithuania	100%	46 003 663	4 348 808	-	-	-	-
BSP Logistic Property IV UAB	Indirect	Vilnius, Lithuania	100%	78 323 270	9 725 225	-	-	-	-
BSP Logistic Property V UAB	Indirect	Vilnius, Lithuania	100%	58 710 265	3 623 475	-	-	-	-
BSP Logistic Property VI UAB	Indirect	Vilnius, Lithuania	100%	51 240 034	4 017 156	-	-	-	-
BSP Logistic Property VII UAB	Indirect	Vilnius, Lithuania	100%	8 404 250	1 487 345	-	-	-	-
BSP Logistic Property VIII UAB	Indirect	Vilnius, Lithuania	100%	29 221 101	2 823 218	-	-	-118 751	-
BSP Logistic Property IX UAB	Indirect	Vilnius, Lithuania	100%	159 709	-40 898	-	-	-	-
BSP Industrial Property III UAB	Indirect	Vilnius, Lithuania	100%	-233 810	-2 538 569	-	-	-	-
BSP Industrial Property IV UAB	Indirect	Vilnius, Lithuania	100%	6 927 923	-614 739	-	-	-	-
BSP Retail Properties I UAB	Indirect	Vilnius, Lithuania	100%	100 110 037	3 604 891	-	-	-	-
BSP Retail Properties V UAB	Indirect	Vilnius, Lithuania	100%	27 621 366	2 588 519	-	-	-	-
Klaipėdos Verslo Parkas UAB	Indirect	Klaipėda, Lithuania	100%	21 577 545	2 674 311	-	-	-	-
Liepų Parkas UAB	Indirect	Klaipėda, Lithuania	100%	110 792 557	7 604 109	-	-	-	-
Pastatų Vystymas UAB	Indirect	Klaipėda, Lithuania	100%	70 832 055	11 707 616	-	-	-	-
Prekybos Centras Grandus UAB	Indirect	Klaipėda, Lithuania	100%	68 730 127	7 170 433	-	-	-	-
<b>SUM</b>				<b>961 670 721</b>	<b>261 494 899</b>	<b>229 028 627</b>	<b>7 979 979</b>	<b>-118 356</b>	<b>-</b>

Book value in parent company of shares owned directly:

	Acquisition cost 01.01	Book value 01.01	Disposal	Acquisition	Year's impairment (-)/reversal prev. imp. (+)	Book value 31.12
BSP Asset Management Klaipėda UAB (tidl. BNTP UAB)	4 452 751	-	-	-	-	-
BSP Holding LT UAB	10 584 721	10 584 721	-	-	-	10 584 721
BSP Asset Management Vilnius UAB	24 445	24 445	-	-	-	24 445
<b>SUM</b>	<b>15 061 917</b>	<b>10 609 166</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10 609 166</b>

**Note 7 Financial income & expenses**

The parent company booked currency gains/losses consisting of:

	2025	2024
Currency gains (+)/losses (-) from invoices and bank accounts in foreign currencies:	-534 752	341 140
Currency gains (+)/losses (-) from loans in foreign currencies to/from subsidiaries:	1 558 085	9 885 139
Sum	1 023 333	10 226 279

The parent company received dividends from the following subsidiaries:

	2025	2024
BSP Holding LT UAB	-	-
Sum	-	-

The parent company booked other financial expenses consisting of:

	2025	2024
Refinancing fee to Ambolt Mezzanine Sub-Fund	808 300	808 300
Other financial expenses	-	-
Sum	808 300	808 300

**Note 8 Financial debt**

	Other non-current liabilities	Market value interest hedging contracts	Total	This year's interest expenses	Maturity	Interest rate p.a.
Mezzanine loan from Ambolt Mezzanine Sub-Fund	50 000 000	-	50 000 000	4 714 584	15/09/2027	9.30%
SUM	50 000 000	-	50 000 000	4 714 584		

**Mezzanine loan in 2024:**

On 13 September 2024 Baltic Sea Properties AS and Ambolt Mezzanine Sub-Fund entered into an amendment agreement extending the 50 MNOK loan until 15 September 2027.

**Specification of movements in mezzanine loans from Ambolt Mezzanine Sub-Fund (principal amount balance ex. accrued interest):**

(Amounts in NOK)

	2024	2025	2026e
Ingoing balance per 1.1.	50 000 000	50 000 000	50 000 000
Gearing/new project debt			
Downpayments			
Extraordinary downpayments			
<b>Outgoing balance per 31.12</b>	<b>50 000 000</b>	<b>50 000 000</b>	<b>50 000 000</b>
Interest expenses	4 727 500	4 714 584	4 714 584
Extension fee	808 300	808 300	808 300
Total interest expenses	5 535 800	5 522 884	5 522 884

**Note 9 Taxes**

This year's tax expenses appear as follows:

	2025	2024
Payable tax on year's profit	-	-
Change in deferred tax	-	-
<b>Tax expenses on ordinary profit</b>	<b>-</b>	<b>-</b>

Payable tax in the year's tax expenses appear as follows:

Ordinary profit before tax	-736 708	7 391 953
Permanent differences	90 895	4 565 147
Change in temporary differences	-1 514 390	-10 015 495
Use of tax loss carry forward	-	-1 941 605
Basis of payable tax	-2 160 203	-
Tax	-	-

Payable tax on the year's profit

Payable tax on the year's profit	-	-
----------------------------------	---	---

Payable tax in the balance sheet appears as follows:

Payable tax on the year's profit	-	-
Sum payable tax	-	-

**Specification of basis for deferred tax:**

Differences that are settled:	Change	2025	2024
Difference between accounting and tax value of receivables	-1 527 503	27 871 336	26 343 833
Difference between accounting and tax value of other fixed assets	13 112	228 925	242 037
Accounting provisions for liabilities	0	0	-
Tax loss carry forward	2 160 203	-69 479 476	-67 319 273
<b>Sum</b>	<b>645 812</b>	<b>-41 379 214</b>	<b>-40 733 402</b>
Deferred tax (+) / Deferred tax asset (-)		-9 103 427	-8 961 348
Current tax rate		22 %	22%

As it is uncertain whether the company will be able to make use of the deferred tax asset, the company has chosen not to book this.

**Note 10 Equity**

	Share capital	Treasury shares	Share premium	Retained earnings	Sum
<b>Equity 1.1.2025</b>	<b>869 608</b>	<b>-861</b>	<b>214 031 393</b>	<b>26 848 764</b>	<b>241 748 903</b>
Dividend (distributed during the accounting year)	-	-	-	-17 383 702	-17 383 702
Capital increase	-	285	-	129 948	130 233
This year's profit/loss	-	-	-	-736 708	-736 708
<b>Equity 31.12.2025</b>	<b>869 608</b>	<b>-576</b>	<b>214 031 393</b>	<b>8 858 303</b>	<b>223 758 726</b>

**Note 11 Other accounts receivable**

The parent company's other accounts receivable consisted of:

	2025	2024
Prepayments to suppliers	281 040	56 137
Sum	281 040	56 137

**Note 12 Cash and cash equivalents**

	2025	2024
Total bank deposit per 31.12	34 303 511	48 316 437
Of which restricted deposits related to employee tax deduction	53 132	134 592

**Note 13 Share capital, shareholder information and ownership structure**

The share capital per 31.12 consisted of the following share classes:

	Amount	Nominal value per share	Share capital
Ordinary shares	8 696 077	0.10	869 608
Own shares	5 765	0.10	577

**Ownership structure:**

The 20 largest shareholders in the parent company per 31.12 were:

	Ordinary shares	Voting/ owners-hip stake
UAB BALTIC EQUITY	3 316 700	38.1 %
CENTRALKIRKEN	1 098 260	12.6 %
NESTOR AS	426 409	4.9 %
AURIS AS	362 384	4.2 %
TRIVON AS	270 000	3.1 %
PIPPI INVEST AS	225 000	2.6 %
EIENDOMSKAPITAL NORGE V AS	160 000	1.8 %
BYDALSALLEEN 5 AS	157 789	1.8 %
HJORTESET, OLAV	150 000	1.7 %
PASCAL HOLDING AS	103 703	1.2 %
CLEARSTREAM BANKING S.A.	94 100	1.1 %
RIEVE KAPITAL AS	86 838	1.0 %
BRØDRENE HJORTESET AS	64 823	0.7 %
THOCA INVEST AS	60 000	0.7 %
HANS INVEST AS	60 000	0.7 %
ANDERSEN-GOTT, TORE	59 139	0.7 %
DUPUY, PASCAL FREDERIC	57 658	0.7 %
DUPUY, BERIT MYHRE	57 657	0.7 %
MULLAKS AS	56 600	0.7 %
BONAVISTA AS	52 628	0.6 %
<b>Total of the 20 largest shareholders</b>	<b>6 919 688</b>	<b>79.6%</b>

Shares held by board of directors and senior executives as of 31.12:

Shareholders	Represented by	Role	Ordinary shares 2025	Ordinary shares 2024
UAB BALTIC EQUITY	James Clarke	Chairman	3 316 700	3 316 700
AURIS AS	Henrik Austgulen	Board member	362 384	262 384
HOLSTEIN INVEST AS	John Mosvold	Board member	32 861	32 861
MOSVOLD, JOHN DAVID	John Mosvold	Board member	22 276	22 276
HAGEN, BERGER & AAS AS	Lars C. Berger	CEO	13 334	13 334
ARTHEN INVEST AS	Lars C. Berger	CEO	16 609	16 609

**Note 14 Other current borrowings**

The parent company's other current borrowings consisted of:

	2025	2024
Payable dividends	-465 711	-465 711
Accrued holiday pay	-314 177	-284 764
Other accruals	-110 009	-20 349
Sum	-889 897	-770 824

**Note 15 Transactions with related parties**

During 2024 and 2025, certain Group entities engaged UAB "Baltijos maitinimo paslaugos" (BMP) — a company directed by Marina Clarke, spouse of James Clarke (Chairman of the Board, majority shareholder & CIO in Baltic Sea Properties) — for marketing services and catering & event services. Total fees paid to BMP amounted to EUR 15,563 (NOK 180,960) in 2024 and EUR 22,309 (NOK 261,403) in 2025. All the transactions have been carried out as part of the ordinary operations and at arms-length prices. Baltic Sea Properties AS was not directly party in any of these transactions.

(Please refer to Note 13 for details on the Board of Directors' and senior executives' subscription of shares in the private placement in May 2024.)

**Note 16 Uncertain liabilities**

In 2011, the tax authorities requested information from the parent company regarding previously deducted issue costs related to the balance sheet for 2006. The parent company was then able to reduce its carry forward loss by NOK 23,688,757. This was part of the issue/facilitation fee that was considered to be part of the investment and therefore not gave a tax deduction. Furthermore, the decision states that additional tax of 30% of the tax of NOK 23,688,757, a total of NOK 1,989,856, will be effected in the first year the company makes a tax profit. There is thus a contingent liability of NOK 1,989,856 for which there is no provision in the accounts as the company considers it less than 50% likely that it will make a tax profit. This assessment is based on the fact that the company's main source of income is dividends from subsidiaries, which are not subject to taxation.

Per 31.12.2025, the parent company had a deferred tax asset of MNOK 9.1 which the company has chosen to not book in its balance sheet as it not expects to come in a position of taxation where it will be able to make use of the tax asset.

**Note 17 Geopolitical risks**

Russia's invasion of Ukraine and broader geopolitical tensions between Russia and Western countries continue to shape the security and economic outlook for the region. Sanctions on Russia and Belarus have structurally changed regional trade flows and logistics patterns, which may affect some tenants operating in transit, logistics or manufacturing sectors. In addition, changes in global trade policy, including tariffs or protectionist measures between major economies, may influence global supply chains and logistics demand, with potential effects on tenant activity and economic growth in the region.

The Baltic states are members of NATO and the EU, providing strong political and institutional alignment with Western partners. Regional governments have increased defence spending and strengthened regional cooperation in response to the security environment. The Baltic states have also reduced reliance on Russian energy systems and synchronised their electricity grids with the continental European network (ENTSO-E), improving long-term energy security.

Also, recent escalation of tensions in the Middle East, including U.S.-led strikes on Iranian targets and subsequent regional responses, has increased instability in the Persian Gulf and disrupted shipping activity in the Strait of Hormuz, a key global energy transit route. Any prolonged disruption to energy supply could lead to higher energy prices globally, contributing to renewed inflationary pressure, tighter financial conditions and increased operating costs for businesses.

Despite these challenges, our operations remain stable, with no direct disruptions. BSP Group maintains a diversified tenant base and close dialogue with tenants to monitor developments affecting logistics flows and industrial activity. While external uncertainties remain, we maintain a cautious and adaptive approach to ensure resilience in a changing environment.

**Note 29 Events after reporting date****Share buy-back program**

In February 2026, the Board of Directors has resolved to initiate a share buyback programme for the repurchase of the Company's own shares for up to NOK 5 million. The decision was made pursuant to item 12 of the resolutions adopted by the General Meeting on 15th of May 2025 and announced in a stock market announcement on 27th of February 2026.

Management has reviewed events after the reporting date and has not identified any other matters requiring disclosure.



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Medlemmer av Den norske Revisorforening

To the General Meeting in Baltic Sea Properties AS

## INDEPENDENT AUDITOR'S REPORT

### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of Baltic Sea Properties AS (the Company) which comprise:

- The financial statements of the Company, which comprise the statement of financial position as at 31 December 2025, the statement of profit and loss and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies, and
- The consolidated financial statements of the Group, which comprise the statement of financial position as at 31 December 2025, the statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including material accounting policy information

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements of the Company give a true and fair view of the financial position of the Company as at 31 December 2025, and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements of the Group give a true and fair view of the financial position of the Group as at 31 December 2025 and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the audit committee.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company and the Group in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (the IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other information

The Board of Directors and the CEO (management) are responsible for the information in the Board of Directors' report and the other information presented with the financial statements. The other information comprises information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.



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2

In connection with our audit of the financial statements, our responsibility is to read the information in the Board of Directors' report. The purpose is to consider if there is material inconsistency between the information in the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or otherwise the information in the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

#### Responsibilities of management for the financial statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway and of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group, or to cease operations, or has no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to



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draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Oslo, 15 April 2026  
ERNST & YOUNG AS

*The auditor's report is signed electronically*

Trond Stian Nytvøit  
State Authorised Public Accountant (Norway)



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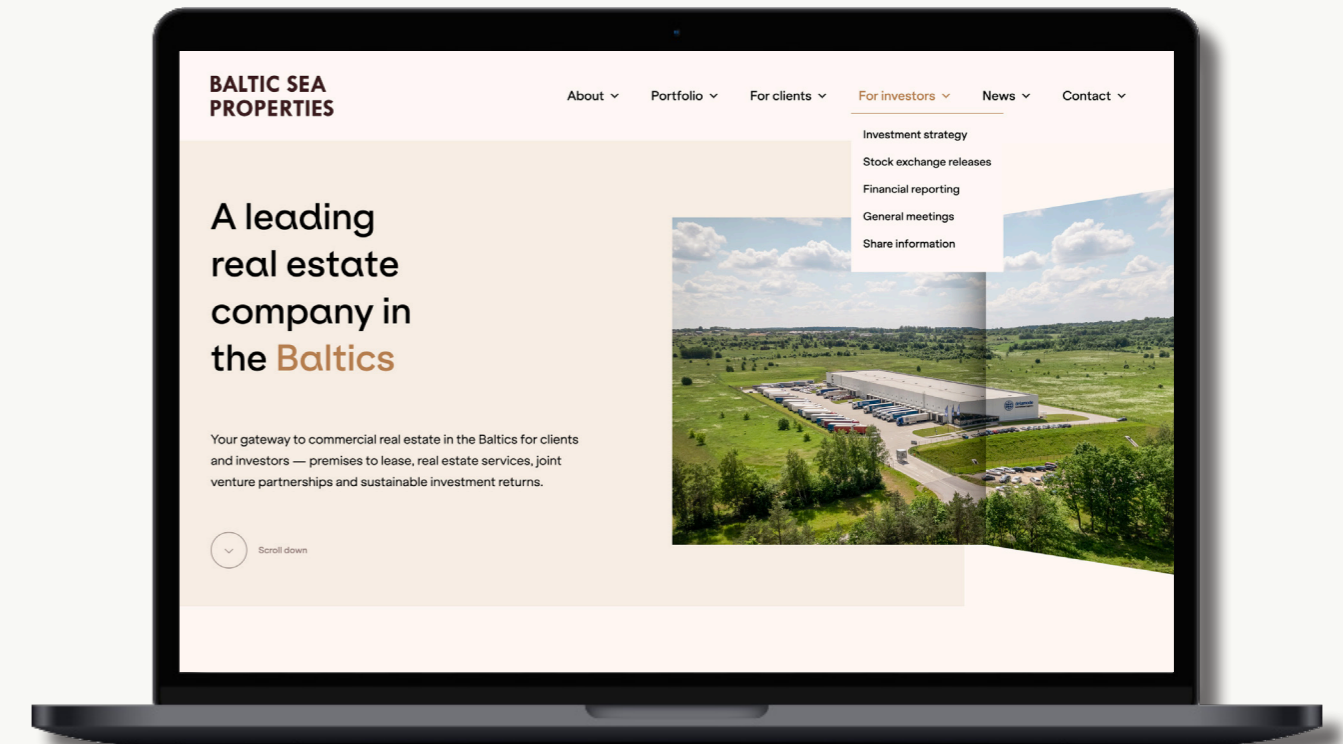
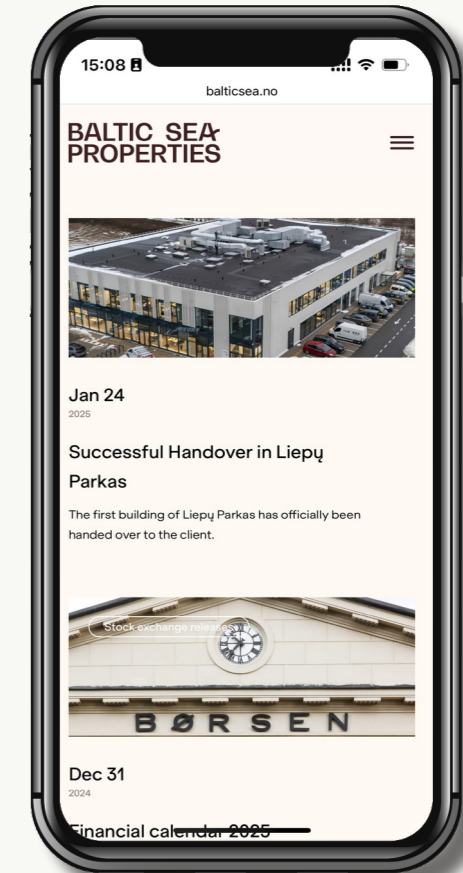
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# Appendix

## Reconciliation of APM's\*

\* Alternative Performance Measures

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



# Net Asset Value (NAV)

Reconciliation



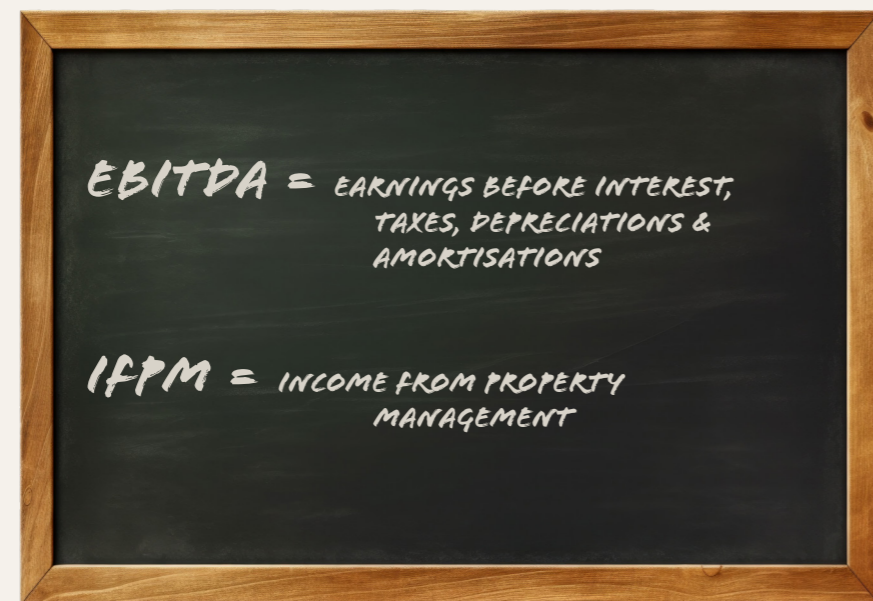
$$\text{NAV PER SHARE} = \frac{\text{NET ASSET VALUE (TOTAL)}}{(\text{ISSUED SHARES} - \text{OWN SHARES})}$$

Reconciliation with IFRS figures				
	31 Dec 2025	31 Dec 2024	31 Dec 2023	Source
Total equity (TNOK)	647 537	615 340	450 061	Consolidated statement of financial position
+ Deferred tax liabilities (TNOK)	83 344	65 277	48 518	Consolidated statement of financial position
- Deferred tax according to BSP original NAV definition (TNOK)	-59 400	-50 589	-38 109	(See description on cited page)
<b>Net Asset Value (TNOK)</b>	<b>671 481</b>	<b>630 028</b>	<b>460 470</b>	
Number of issued shares (excl. own shares)	8 691 851	8 687 466	6 679 622	VPS
<b>NAV per share</b>	<b>77.25</b>	<b>72.52</b>	<b>68.95</b>	

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.

# IFPM & EBITDA

Reconciliation



**EBITDA = EARNINGS BEFORE INTEREST, TAXES, DEPRECIATIONS & AMORTISATIONS**

**IFPM = INCOME FROM PROPERTY MANAGEMENT**

Reconciliation with IFRS figures				
(TNOK)	Jan-Dec 2025	Jan-Dec 2024	Jan-Dec 2023	Source
Rental income	105 602	96 413	91 286	Consolidated Profit/Loss Statement
Other income	1 942	785	754	Consolidated Profit/Loss Statement
Payroll and related costs	-19 307	-17 457	-15 487	Consolidated Profit/Loss Statement
Other operating expenses	-13 810	-9 280	-9 639	Consolidated Profit/Loss Statement
<b>EBITDA</b>	<b>74 427</b>	<b>70 461</b>	<b>66 914</b>	
Financial income	420	688	311	Consolidated Profit/Loss Statement
Financial expenses	-36 680	-42 827	-33 892	Consolidated Profit/Loss Statement
<b>IFPM</b>	<b>38 166</b>	<b>28 322</b>	<b>33 334</b>	

## Loan-to-Value ratio (LTV)

Reconciliation

$$LTV = \frac{\text{NET NOMINAL INTEREST-BEARING DEBT}}{\text{FAIR VALUE OF INVESTMENT PROPERTY}}$$

$$\text{NET LTV} = \frac{\text{NET NOMINAL INTEREST-BEARING DEBT - CASH}}{\text{FAIR VALUE OF INVESTMENT PROPERTY}}$$

Reconciliation with IFRS figures				
(TNOK)	31 Dec 2025	31 Dec 2024	31 Dec 2023	Source
Interest-bearing liabilities (non-current)	720 248	657 058	616 955	Consolidated statement of financial position
Interest-bearing liabilities (current)	28 368	30 433	37 460	Consolidated statement of financial position
Other adjustments	-	14 327	924	Internal calculation
<b>Net nominal interest-bearing debt</b>	<b>748 616</b>	<b>701 818</b>	<b>655 338</b>	
Cash	87 449	80 990	40 888	Consolidated statement of financial position
<b>Net nominal interest-bearing debt - cash</b>	<b>661 167</b>	<b>620 829</b>	<b>614 450</b>	
Investment property	1 455 590	1 345 746	1 150 216	Consolidated statement of financial position
- Right-of-use assets	-29 401	-29 624	-28 876	Internal calculation / Note 4 of annual report
<b>Fair value of investment property</b>	<b>1 426 189</b>	<b>1 316 121</b>	<b>1 121 340</b>	
<b>LTV</b>	<b>52.49 %</b>	<b>53.32%</b>	<b>58.44%</b>	
<b>Net LTV</b>	<b>46.36 %</b>	<b>47.17%</b>	<b>54.80%</b>	

<sup>1</sup> 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.

## Interest Coverage Ratio (ICR)

Reconciliation

$$ICR^* = \frac{EBITDA}{NET INTEREST EXPENSES}$$

\* INTEREST COVERAGE RATIO

Reconciliation with IFRS figures				
(TNOK)	Jan-Dec 2025	Jan-Dec 2024	Jan-Dec 2023	Source
<b>EBITDA (Group)</b>	<b>74 427</b>	<b>70 461</b>	<b>66 914</b>	<b>Own calculations</b>
Interest income	-420	-688	-311	Consolidated statement of financial position
Interest expenses payable (incl. hedge effect)	33 818	41 166	32 260	Consolidated statement of financial position
<b>Net interest expenses</b>	<b>33 399</b>	<b>40 478</b>	<b>31 949</b>	
<b>ICR (Group)</b>	<b>2.23</b>	<b>1.74</b>	<b>2.09</b>	

#### 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. 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.

