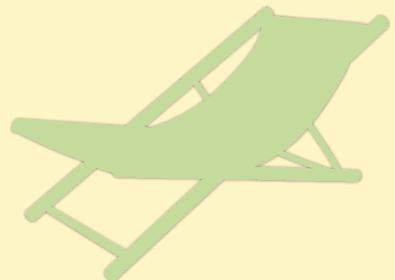


Half-year report

Q2 2021



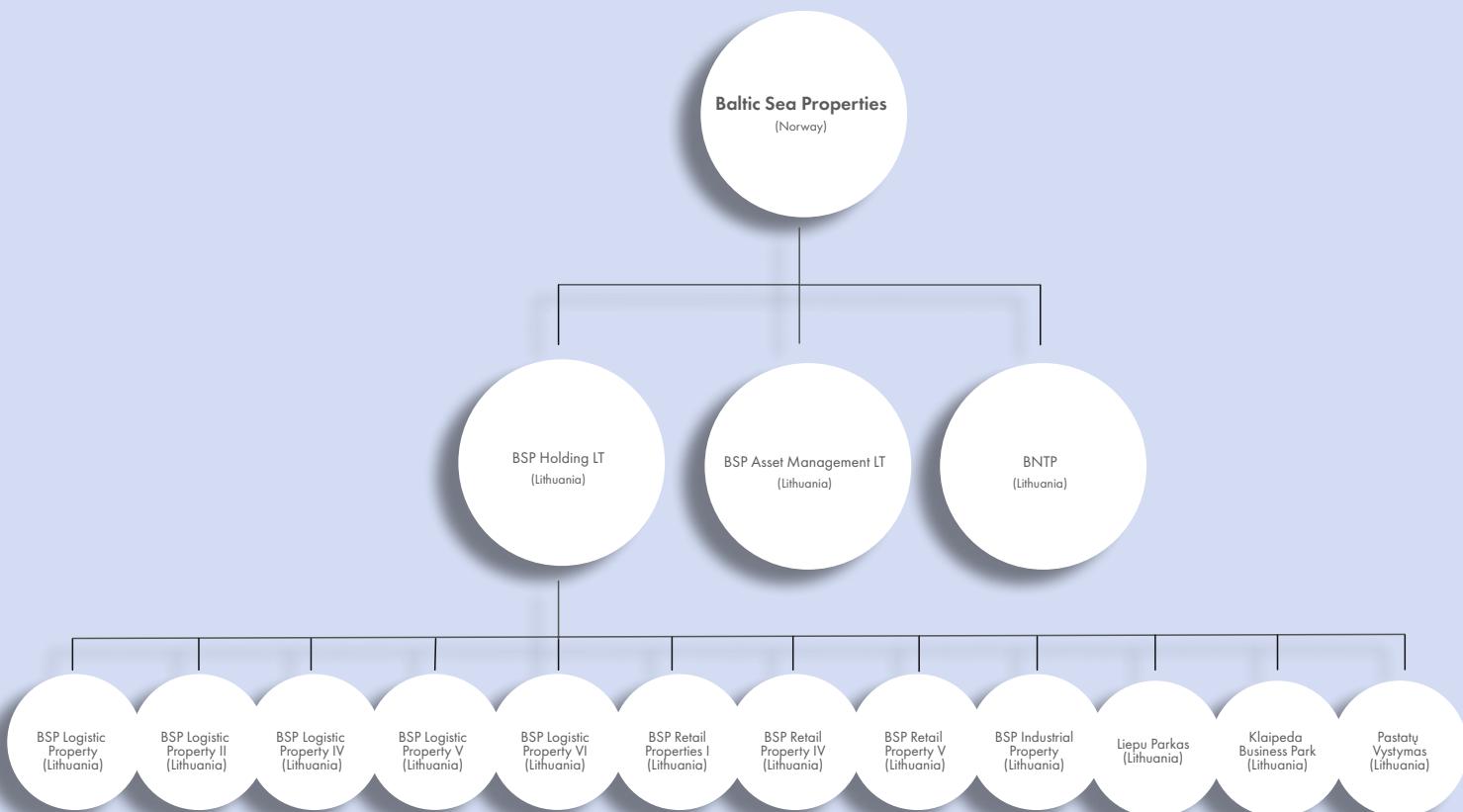
About us

Baltic Sea Properties AS is a Norwegian real estate company owning and managing properties in the Baltics.

The company is one of the Baltics' leading real estate investors and owns, develops, and manages properties within the segments retail, logistics and industry. The company's property management is conducted through fully-owned subsidiaries which are all registered in Lithuania.

Contracted rent income for the portfolio in 2021 is estimated to MEUR 5.8. The portfolio had per 30.06.2021 generated rent income of apx. MEUR 3.17.

The company has an industry-leading team with great knowledge of the Baltic market which makes the company well positioned for growth. In addition to refining the current portfolio the company has ambitions to strengthen the portfolio with new cash flow and development projects which will increase shareholder values and the company's dividend capacity.





Klaipeda Business Park - Acquired by Baltic Sea Properties in April 2021



Delamode terminal, near Vilnius

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Appendices

- Profit/Loss Statement
- Balance Sheet
- Notes



Disclaimer:

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

CEO's comment

Dear shareholder,

We are pleased to see that our income from property management is gaining momentum. BSP shows strong cash flow development and compared to the same period last year our net asset value has improved with approx. 18% (22% adjusted for dividend in June). We see an increase in unrealised valuation with approx. MEUR 2.5 which is a result of a lower yield on our portfolio, well-delivered projects, and good property management work by our team.

European Real Estate Brand Awards 2021

Through our long-term approach to stability and close collaboration, BSP has become a reputable institution in the Baltics and a preferred partner among tenants, suppliers and other stakeholders. I would personally like to thank all our employees for their tremendous effort which has been instrumental for us to once again be voted the strongest brand among Baltic logistic developers in 2021 by the European Real Estate Brand Institute – for the second year in a row.

Acquisition of Klaipeda Business Park & further divestments

The second quarter of 2021 has been a particularly exciting and active period for us here in BSP. First and foremost, we completed the transaction to acquire Klaipeda Business Park, Liepu Parkas and the management company UAB BNTP in April. Since then, we have successfully merged our two organisations and through that established BSP's local presence in the city of Klaipeda. In addition to increasing our know-how on property and facility management we have gained important development experience. We are very pleased to welcome our new colleagues and look forward to taking new leaps with them on our side.

We have also completed several strategic divestments which combined has both substantiated the valuation of our portfolio, given us the financial freedom to pursue new opportunities and taken a significant workload off for our team. This enables us to focus on our new development projects and pipeline.

Financing

Q2 was the quarter when we finalized the refinancing of our portfolio with Luminor and repaid MNOK 37.7 of the mezzanine financing. MNOK 10 was distributed to the shareholders as dividend during the second quarter, and we still hold a comfortable cash balance which will be carefully reinvested to grow the Company further.



Subsequent events and the way ahead

During the second quarter we have been working intensely with our new project pipeline. Thus, we are happy to see that our client Delamode is doing so well that they requested an expansion of 4 780 m², scheduled to be delivered during the Summer of 2022. Additionally, we have been working closely with the French-owned DPD LT for their expansion in Lithuania, resulting in an agreement for two new distribution centres in Siauliai and Telsiai, scheduled for delivery by the second quarter of 2022.

We see that the outlook for logistic space is still highly favourable, supported by trends such as e-commerce and an increasing importance of resilient supply chains. BSP's ambition is to be one of the Baltics' preferred real estate partners and we plan to succeed in this by having a long-term perspective, focused on excellent relationships and long-term contracts with great tenants that share our values. BSP is committed to respecting and protecting our environment, and sustainability is a fundamental precondition when we evaluate and plan new projects. As part of this strategy, we are currently exploring installation of solar panels on properties in our portfolio and have received very positive feedback from our tenants on this initiative.

We continue to seek new opportunities with existing and new potential clients and believe the momentum we are experiencing will continue to create sustainable and profitable growth for our shareholders.

Lars Christian Berger
CEO, Baltic Sea Properties AS



Klaipeda Business Park - Acquired by Baltic Sea Properties in April 2021.

Key figures

Q2 2021

- **Key figures properties**
- **Key figures group**
- **Net Asset Value**

Please note:

- The figures in this report are unaudited.
- Baltic Sea Properties AS follows Norwegian accounting standards (NGAAP).

Properties

Contracted rent roll 2021

Company	Segment	Tenant	Budget rent (EUR)	Property NOI*	% income	GLA (sqm)	% GLA	Maturity
BSP LP	Logistics	Girteka	956 221	889 405	16,5%	17 149	16,9%	2026
BSP LP II	Logistics	Vinge	1 039 435	1 012 003	17,9%	21 929	21,6%	2038
BSP LP IV	Logistics	Rhenus	1 073 354	983 045	18,5%	18 226	18,0%	2035
BSP LP V**	Logistics	Delamode	534 732	482 539	9,2%	8 329	8,2%	2035
BSP LP VI	Logistics	Oribalt	441 965	399 717	7,6%	6 807	6,7%	2035
KVP***	Industrial	Multiple	1 411 952	1 257 220	24,3%	24 500	24,2%	2022-2027
BSP RP I****	Retail	Multiple	74 046	66 641	1,3%	1 337	1,3%	2022-2025
BSP RP V	Retail	Maxima	271 859	249 147	4,7%	3 021	3,0%	2034
Total****			5 803 564	5 339 717	100%	101 298	100%	

* Property NOI also includes internal management expenses in addition to other direct property cost..

** Delamode will expand with approx. 4 800 m² with delivery Q2 2022. Estimated additional yearly rent approx. tEUR 310.

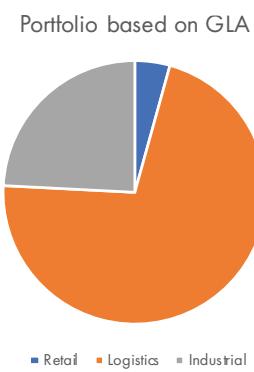
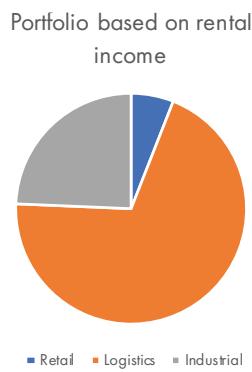
*** Klaipeda Business Park (KVP) was acquired in April 2021 and is thus not included in the Q1 financial figures presented on other pages of this report.

**** BSP has signed a development agreement with DPD for two new distribution centers with delivery Q3 2022.

Estimated yearly rent approx. tEUR 300

Terms/abbreviations used in the table above:

- Property NOI: Net rent income after direct ownership expenses incl. management.
- GLA: Leasable area.



Key figures group

Half-year report 2021 (unaudited)

Per share (NOK)	30/06/2021	30/06/2020	Balance sheet* (MNOK)	30/06/2021	31/12/2020
Net Asset Value (NAV)*	50.89	46.19	Fixed assets	603	571
NAV in Euro	5.00	4.23	Current assets	95	41
Accumulated pay-outs	23.50	22.00	Assets	698	611
Last transaction price per date	50.00	30.20	Equity	209	207
Number of shares issued	6 688 232	6 688 232	Debt	489	405

* Valuations per 30.06.2021 is basis for property values in NAV calculation.

* Booked values according to Norwegian accounting standards.

* Please refer to information on the next page about change of principle for the NAV calculations since the 3rd quarter of 2020.

Property portfolio (MNOK)	30/06/2021	30/06/2020	Profit & loss (MNOK)	30/06/2021	30/06/2020
Market value portfolio	744.3	813.3	Operating income	35.5	31.2
Value of equity based on NAV	339.3	308.0	Operating expenses excl. depreciations and impairments	9.4	70
Gross rent income per date	32.3	30.5	EBITDA (Operating profit/loss excl. depreciations and impairments)	26.1	24.1
NOI-yield	7.70%	8.35%	Income From Property Management (IFPM)	15.7	14.2
IFPM-yield	9.26%	9.24%	EBIT	19.2	12.1
Shortest contract length (years)	3 yrs	0 yrs	Profit/Loss before tax	19.4	1.7
Longest contract length (years)	17.3 yrs	18 yrs			
WAULT	10.2 yrs	11 yrs			
NIBD (incl. mezzanine loan)	423	522			
LTV (incl. mezzanine loan)	56.8 %	64.2%			

Terms/abbreviations used in the tables above

- WAULT = Weighted contract length (income/year)
- NIBD = Net Interest-Bearing Debt
- LTV = Loan to Value ratio
- NOI-yield = Annualised budget net operating income from property portfolio (incl. all salary expenses) / Market value of the portfolio. Yield is adjusted for land bank value.
- Income From Property Management = Profit/loss before tax excluding depreciations, profit/loss/value movements on properties, currency and other financial instruments
- IFPM-yield = Income From Property Management / Market Value of the portfolio

Net Asset Value (NAV)

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

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

Assets valuations and adjustments for NAV:

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

Liabilities adjustments for NAV:

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

Please note:

- Since the 3rd quarter of 2020, the company has used a new principle for estimating latent tax liabilities in its NAV calculations. The change increases the group's latent tax with apx. MNOK 12.7 relative to the booked net deferred tax liability per 30.06.2021. Please note that historical NAV figures in this report have not been recalculated according to this change in principle.

Half-year financials

2nd quarter 2021

- **P&L**
- **Balance sheet**
- **Financing**

Please note:

- The figures in this report are unaudited.
- Baltic Sea Properties AS follows Norwegian accounting standards (NGAAP).

Profit & loss statement

Half-year report 2021 (unaudited)

(Figures in parentheses are comparable figures for same quarter in the previous year)

Total operating income per 30th of June 2021 was MNOK 35.5 (MNOK 31.2). Of this MNOK 32.3 was rental income from the property portfolio (MNOK 30.5). Measured in EUR the rental income per 30th of June 2021 was increased by EUR 331 750 compared to the same period for the previous year, due to new revenue streams from the properties acquired in Q2 2021.

Direct ownership costs per 30th of June 2021 were MNOK 5.2 (MNOK 4.4). The increase is largely due to an increase in organization size since the acquisition of the management company UAB BNTP in Q2 2021.

Net rental income per 30.06.2021 was MNOK 27.1 (MNOK 26.1).

Other operating income per 30th of June 2021 was MNOK 3.2 (MNOK 0.7). The increase is mainly profit from the sale of one retail property in the RP5 portfolio, while income from service deliveries amounted to MNOK 0.8.

Other operating expenses per 30th of June 2021 were MNOK 4.2 (MNOK 2.6). The increase is mainly due to extraordinary expenses during a period of high transaction activity.

The profit from operations before financial items, depreciations, and impairments (EBITDA) per 30th of June 2021 were MNOK 26.1 (MNOK 24.1).

Net financial items per 30th of June 2021 were MNOK 0.2 (MNOK -10.4). Net interest of MNOK -7.9 (MNOK -9.9) was outweighed by a profit of MNOK 8.2 from realizing the investment in EECP. The Group's interest expenses were reduced compared to the 2nd quarter of 2020, but the result also benefitted from gains from currency differences and interest rate hedging agreements. These effects were however largely outweighed by fees paid related to refinancing of the portfolio.

The Group had per 30th of June 2021 booked MNOK 4.2 (MNOK 0) in reversal of previous impairments following from a net accounting profit of previously impaired properties that were sold during the second quarter of 2021. Booked depreciations per 30th of June 2021 were MNOK -11.1 (MNOK -12.1).

Profit before tax per 30 of June 2021 was MNOK 19.4 (MNOK 1.7).

P&L Group (NOK)	30/06/2021	30/06/2020
NOK (YTD)		
Rental income	32 284 061	30 501 465
Real estate tax, land tax, etc.	-624 479	-683 850
Maintenance and fit-out	-25 645	-246 750
Other direct ownership costs	-4 579 680	-3 491 604
Sum direct ownership costs	-5 229 804	-4 422 204
Net rental income	27 054 257	26 079 261
Other operating income	3 234 753	656 385
Other operating expenses	-4 190 075	-2 598 742
EBITDA	26 098 935	24 136 904
Depreciations	-11 127 377	-12 076 636
Impairments (-)/	4 195 929	0
Reversal of previous impairments (+) *		
EBIT	19 167 487	12 060 268
Net interest	-7 911 923	-9 907 254
Other finance	8 097 126	-484 943
Profit/loss before tax	19 352 690	1 668 071

* Accounting profits from property sales less than accumulated impairments from previous periods are here presented as reversal of previous impairments.

Balance sheet

Half-year report 2021 (unaudited)

Valuation of properties

Valuations of the properties have been conducted by two independent valuers, based on discounted cash flow (DCF) analyses, which is standard method and our normal practice. The portfolio was valued at a total of MEUR 73.2 per the 30th of June 2021, based on valuations from Newsec and Oberhaus.

Balance sheet

Per the 30th of June 2021 the Group had a total cash balance of MNOK 90 (31.12.2020: MNOK 39). The increase during the 1st quarter of 2021 is mainly due to the refinancing process and divestments during this period which have made significant funds available.

During the 2nd quarter of 2021, NOK 1.50 per share was distributed as dividend to the shareholders.

The book value of equity per the 30th of June 2021 was MNOK 209 (31.12.2020: MNOK 207). The change in NAV per share measured in EUR during the 1st half of 2021 was +8.7 %.

Total amount of shares issued per 30.06.2021 was 6 688 232, of which the company itself held 20 415.

Net Asset Value (NAV) per share	30/06/2021	30/06/2020
NOK	50.89	46.19
EUR	5.00	4.23
Applied EURNOK conversion rate	10.17	10.91

Property portfolio (MNOK)	30/06/2021	30/06/2020
Market value portfolio	744.3	813.3
Value of equity based on NAV	339.3	308.0
Gross rent income per date	32.3	30.5
NOI-yield	7.70%	8.35%
IFPM-yield	9.26%	9.24%
Shortest contract length (years)	3 yrs	0 yrs
Longest contract length (years)	17.3 yrs	18 yrs
WAULT	10.2 yrs	11 yrs
 NIBD (incl. mezzanine loan)	423	522
LTV (incl. mezzanine loan)	56.8 %	64.2%
 NIBD (excl. mezzanine loan)	409	467
LTV (excl. mezzanine loan)	54.9 %	57.5%

Balance sheet* (MNOK)	30/06/2021	31/12/2020
Fixed assets	603	570
Current assets	95	41
- of which is cash	90	39
Assets	698	611
Equity	209	207
Debt	489	405

* Booked values according to Norwegian accounting standards (NGAAP).

Financing

Half-year report 2021 (unaudited)

Year	Debt maturity			Interest Swap maturity		
	EUR	Share %	Interest including margin	EUR	Share %	Interest including margin
0-1 year	-	0.00%	2.20%	-	0.00%	0.00%
1-3 years	-	-	-	15 238 800	100.00%	0.58%
4-5 years	40 169 802	96.6 %	2.05%	-	-	-
Total funding real estate portfolio	40 169 802	96.62%	2.05%	15 238 800	100.00%	0.58%
Mezzanine - maturing 14.5.2022*	1 405 050	3.4 %	10.7 %			
Sum loan	41 574 852	100%	2.35%	15 238 800	100.00%	0.58%

* Loan terms overview of 12-month rolling from 30.06.2021 figures

Refinancing and partial down payment of mezzanine loan

During the 2nd quarter of 2021 Baltic Sea Properties completed its refinancing for the total portfolio with Luminor.

In April and May, the company repaid a total of MNOK 38 (MEUR 3.7) of the mezzanine loan. The maturity for the remainder of the loan's principal amount (MNOK 14.2) was extended for one year, until May 2022.

Loan financing	30/6/2021	31/12/2020
Net nominal interest-bearing debt incl. mezzanine loan (MEUR)	41.6	35.4
LTV incl. mezzanine loan	56.82%	54.69 %
Net nominal interest-bearing debt excl. mezzanine loan (MEUR)	40.2	30.4
LTV excl. mezzanine loan	54.90%	47.0 %
Average interest rate (incl. margin and IRS*) excl. mezzanine loan	2.57%	3.30 %
Interest rate hedging ratio	0.0 %	100.0 %
Time until maturity interest-bearing debt (weighted)	4.7 yrs	2.2 yrs
Time until maturity interest hedging contracts (weighted)	3.0 yrs	3.5 yrs

*Interest Rate Swaps



Property portfolio

- **Tenant mix**
- **Market update by Newsec Baltics**
- **Presentation of our properties**
- **Land bank**



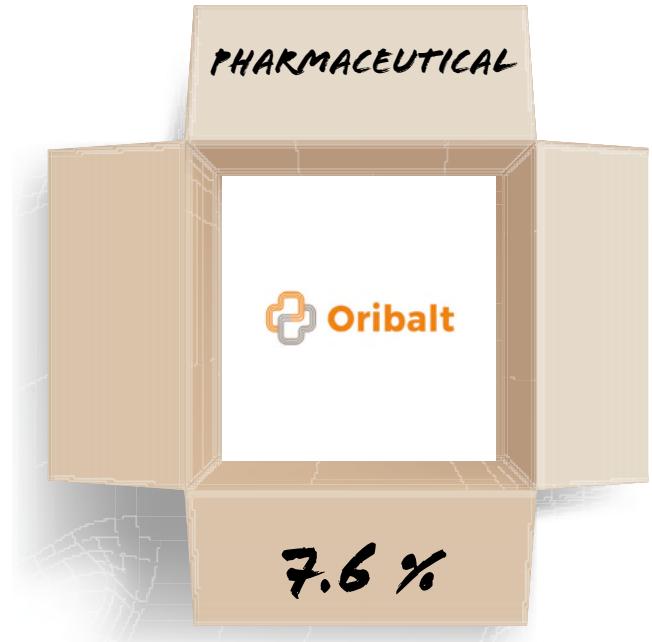
Development land by the Rhenus terminal in Vilnius.



Development land by the Oribalt terminal, near Vilnius.

Tenant mix

Distribution of budgeted rent income in 2021



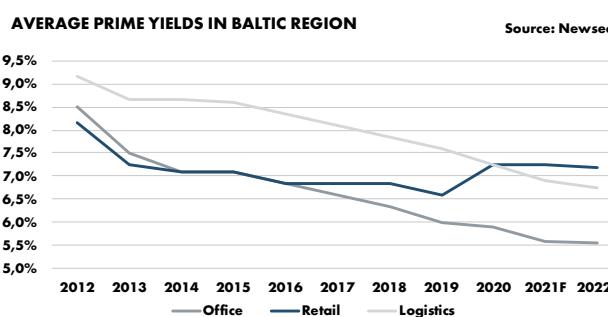
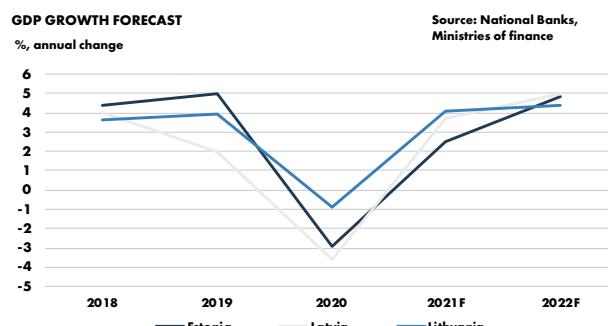
The Lithuanian Property Market

This market update is provided by Newsec Baltics

Provided by Kristina Živatkauskaitė and Mindaugas Kulbokas
of Newsec Baltics

ECONOMY GROWTH IS BACK

After experiencing a slight recession of -0.9% economy decline caused by the pandemic in 2020, in 2021 the Lithuanian economy began showing distinct signs of recovery, posting 4.2% of growth in GDP for the first half of the year. Both businesses and the general population at large have adapted to the new reality. The accelerating vaccination process and declining operational constraints have laid the grounds for a gradual recovery, and the Lithuanian economy in 2021 could grow by 4.1-5.1% based on various forecasts. Meanwhile, in the coming years, the economic recovery is expected to accelerate, with growth in 2022 projected to reach 4.1-4.4%.



MARKET HIGHLIGHTS

- Despite the ongoing pandemic, the market for commercial real estate investment transactions was active during the first half of 2021.
- Investors turned to industrial segment – both industrial and logistics properties. Hotels were demanded with a possibility to acquire good assets at a lower price. Retail segment was active in supermarket and “do it yourself” segment.
- The office segment was demanded, however the market lacks investment grade properties on offer. Yields have dropped to 5.60% in the Baltics, including Vilnius market, where it reached 5.25%.
- The yield of industrial and logistics centers has decreased by 250 bps this year as average yield dropped to the level of 6.90-7.00%. Average yields are expected to compress more based on ongoing deals.

INVESTMENT MARKET ACTIVITY

The intense second half of 2020 allowed the Lithuanian real estate investment segment to end the year on a high note. In 2020, the total volume of investment deals made in Lithuania was 60% that of last year's and reached EUR 265 million. Rapidly growing interest in the logistics and warehousing segment, and stable demand for prime offices, were the main driving forces. The same trend remained in the first half of 2021. Baltics Investment transactions volume reached 431 million EUR in this year and that is a 58% of the last year result or 21% yoy increase. 45% of investments were done in Lithuania, 33% in Latvia and 22% in Estonia. Industrial and logistics segment took the lead in 2021 H1 with 41% market volume share. Retail, quite unexpectedly, was active as well and covered 24% of total volume. Office segment took a 12% share, while residential and hotels comprised 8% and 9% respectively.

55% of investment volume came from the Baltic investors and 45% from foreign capital including Nordic investment management companies (24%) such as Eastnine, East Capital. 28 large size deals above 5 million EUR were closed during the first half, while the annual number was 30 in 2020.

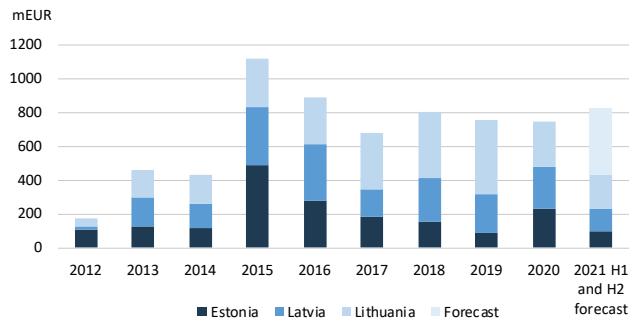
The period of 2020 Q4 - 2021 Q2 was a one of the most active times in the Baltics investment market ever. It was boosted in December of 2020. There are expectations the market will keep this momentum and have a promising second half year of 2021, especially with industrial segment being on hot plate.

MAJOR INVESTMENT TRANSACTIONS IN 2021 H1

In the beginning of 2021 French Corum invested in two DIY stores in Lithuania (one in capita city Vilnius and the other in port city Klaipeda). Two big box stores were developed by Latvian retailer DEPO and each comprise more than 30 and 20 thousand sqm. Swedish investment company Eastnine have bought two office centres from Vastint in Vilnius and Riga for 35.5 million EUR. Belarusian origin gaming company Wargaming established its office in Vilnius and has bought 76 apartments in Vilnius CBD high-rise from local developer IREC Baltic. Arginta industrial buildings comprising 16,000 sqm in Vilnius were acquired by Eften Capital for 15.2 million EUR. Another large industrial segment deal was closed by Baltic Sea Properties while acquiring Klaipeda Business Park with 24,000 sqm in Klaipeda FEZ for 17 million EUR.

INVESTMENT TRANSACTION VOLUMES IN BALTIC REGION

Source: Newsec



NEW OFFICE SUPPLY CONTINUES TO GROW

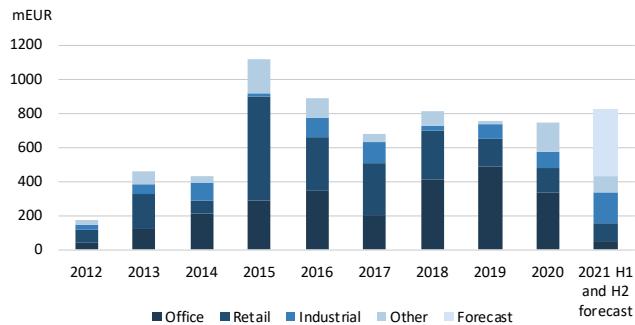
The Vilnius office segment experienced a calmer period in terms of new supply delivery. Three office projects were launched in the Vilnius market during the first half of the year. These projects added 27,600 sqm of new supply, and increased total area by 3.3%, reaching 871,300 sqm. An additional 84,200 sqm of office space supply from 7 projects is expected to be added by the end of 2021. Take-up reached the midway of the annual forecast of around 90 thousand sqm, which was in line with the average of transactions for the most recent five half-year periods.

Both large and small companies were active during the first half year of 2021. Dexcom, Wargaming, Alter Domus, Amber Grid and others were among the office tenants who made the biggest deals.

Class A projects scheduled for, or already under construction in the Central Business District will be large in scale and suitable for multiple tenant types. A total of four scheduled – Core, Artery, FLOW and HERO – will deliver more than 100,000 sqm of office space. Total market supply in 2022-2023 may increase by about 200,000 sqm or 21% and form a new investment grade supply for investors.

INVESTMENT TRANSACTION VOLUMES IN BALTIC REGION

Source: Newsec





Delamode terminal, near Vilnius

Rhenus | Logistics

Company name:

BSP Logistic Property 4

Tenant:

Rhenus Svoris

Location:

Highway A4, Vilnius, Lithuania

GLA:

18 226 m²

Maturity lease contract:

2035

The property was finalised in June 2017 and further expanded in 2020. It is currently leased by Rhenus Svoris, a subsidiary of Rhenus Logistics.

Rhenus Logistics is one of Europe's biggest transportation groups, and Rhenus Svoris covers the group's operations in the Baltics and Belarus.



Vinges Terminalas | Logistics

Company name:

BSP Logistic Property 2

Tenant:

Vinges Terminalas

Plassering:

Highway A3, Vilnius, Lithuania

GLA:

21 929 m²

Maturity lease contract:

2038

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

Vinges Terminalas is a local logistics company operating within export, transit, order processing and goods transport. The company has a wide spectre of clients in Europe and Russia.



Girteka | Logistics

Company name:

BSP Logistic Property

Tenant:

Girteka Logistics

Location:

Highway A3, Vilnius, Lithuania

GLA:

17 954 m²

Maturity lease contract:

2026

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

The property has a land area of 42 907 m² with 11 458 m² storage, 2 014 m² frozen storage, 3 348 m² cold storage and 1 134 m² office.



Delamode | Logistics

Company name:

BSP Logistic Property 5

Tenant:

Delamode Baltics

Location:

Highway A1, Vilnius, Lithuania

GLA:

8 329 m²

Maturity lease contract:

2033

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

In July 2021, BSP signed an agreement with Delamode to expand the facility with approximately 4 780 m² (expected handover during the summer of 2022).



Oribalt | Logistics

Company name:

BSP Logistic Property 6

Tenant:

Oribalt

Location:

Highway A1, Vilnius, Lithuania

GLA:

6 807 m²

Maturity lease contract:

2035

The property was finalized in August 2020 and is currently leased by Oribalt.

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



Klaipeda Business Park (KVP) | Business park

Company name:

Klaipėdos verslo parkas

Tenants:

Multiple (27)

Location:

Klaipeda, Lithuania

GLA:

24 500 m²

Maturity lease contracts:

2022-2035

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

The property was acquired by BSP in April 2021.



RP 1/RP 5 | Retail portfolio

Company name:	BSP Retail Properties 1
Location:	BSP Retail Properties 5
GLA:	Lithuania
Maturity lease contract:	4 358 m²
	2022 - 2034



DPD | Development

Company name:	BSP Industrial Property
Tenant:	DPD
Location:	Šiauliai & Telšiai, Lithuania
GLA:	Apx. 4 000 m²
Maturity lease contract:	2037
Handover:	Q2/Q3 2022
Status:	Under construction



Land bank | Development

Type:

Land plots for development

Locations:

Vilnius and Klaipeda, Lithuania

Areal:

14.6 hectare

Zoning:

Commercial

Project:

Technical project

Three strategically located land plots along strategic road networks near Vilnius and Klaipeda.



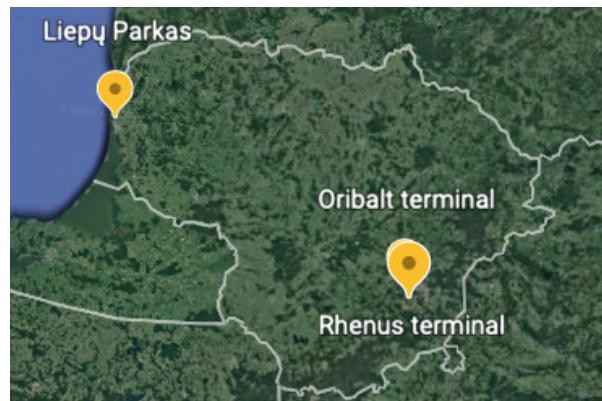
Liepū Parkas
(3.6 hectare)
Liepū Street, Klaipeda



By Oribalt terminal
(6.9 hectare)
Highway A1, Vilnius



By Rhenus terminal
(4.1 hectare)
Highway A4, Vilnius



Baltic Sea Properties at the EUROPEAN REAL ESTATE BRAND AWARDS:

*“Strongest Brand Baltics
Developers logistics”*

- **2020 – 1st place**
- **2021 – 1st place**





Rhenus terminal, Vilnius

Euronext Growth Oslo

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

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

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

On Monday the 30th of November 2020 most pages on oslobors.no were moved to Euronext's website.

For more information, please refer to the following links:

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

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

Useful info:

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

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



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Baltic Sea Properties Lithuania

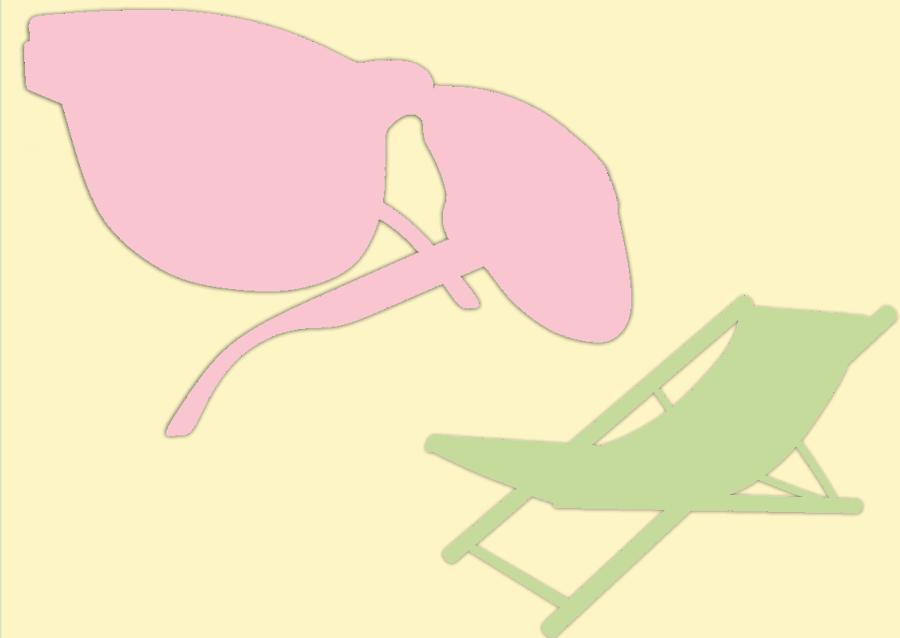
Didzioji str. 10A-29
LT-01128 Vilnius

Lithuania

www.balticsea.no

Baltic Sea Properties (BSP) was in 2020 awarded 1st place in the category «Developer of the year - Logistics/Industrial» in Lithuania by EUROMONEY REAL ESTATE SURVEY, and 2nd place for the Nordics and Baltics.





www.balticsea.no



Appendices

- **Profit/Loss Statement**
- **Balance Sheet**
- **Notes**

PROFIT & LOSS	GROUP (unaudited)		GROUP (unaudited)	
	30/06/2021	30/06/2020	30/06/2021	30/06/2020
Operating income	NOK	NOK	EUR	EUR
Rental income	32 284 061	30 501 465	3 172 346	2 840 596
Other operating income	3 234 753	656 385	317 858	61 129
Total operating income	35 518 814	31 157 850	3 490 204	2 901 725
Operating expenses				
Salaries & social expenses	4 608 011	3 412 088	452 799	317 767
Amortisation of fixed assets	11 127 377	12 076 636	1 093 415	1 124 695
Reversal of tangible fixed asset impairments	-4 195 929	-	-412 307	-
Other operating expenses	4 811 868	3 608 858	472 831	336 092
Total operating expenses	16 351 328	19 097 582	1 606 739	1 778 554
Operating profit/loss	19 167 487	12 060 268	1 883 465	1 123 170
EBITDA	26 098 935	24 136 904	2 564 573	2 247 865
Financial income/expenses				
Other interest income	585	1 014	57	94
Other financial income	10 119 240	338 951	994 352	31 566
Profit/loss from currency	886 240	463 793	87 085	43 193
Other interest expenses	7 912 508	9 908 268	777 511	922 755
Other financial expenses	2 908 353	1 287 688	285 785	119 922
Net financial income/expenses	185 203	-10 392 197	18 199	-967 823
Profit/loss before taxes	19 352 690	1 668 071	1 901 663	155 347

	GROUP (unaudited)		GROUP (unaudited)	
	30/06/2021	31/12/2020	30/06/2021	31/12/2020
BALANCE SHEET				
ASSETS				
FIXED ASSETS	NOK	NOK	EUR	EUR
Tangible fixed assets				
Land, buildings, etc.	601 716 795	556 665 167	59 155 972	53 166 114
Other fixed assets	1 074 033	10 666 955	105 590	1 018 782
Total tangible fixed assets	602 790 829	567 332 122	59 261 562	54 184 897
Financial fixed assets				
Other equity investments	-	3 114 155	-	297 427
Total financial fixed assets	-	3 114 155	-	297 427
Total fixed assets	602 790 829	570 446 277	59 261 562	54 482 324
CURRENT ASSETS				
Receivables				
Accounts receivables	4 788 169	412 938	470 734	39 439
Accrued income	256 938	869 069	25 260	83 003
Other receivables	650 427	595 021	63 945	56 829
Total receivables	5 695 534	1 877 028	559 939	179 272
Bank deposits	89 534 176	38 887 807	8 802 282	3 714 106
Total current assets	95 229 711	40 764 835	9 362 222	3 893 378
TOTAL ASSETS	698 020 539	611 211 111	68 623 784	58 375 702

BALANCE SHEET	GROUP (unaudited)		GROUP (unaudited)	
	30/06/2021	31/12/2020	30/06/2021	31/12/2020
EQUITY & LIABILITIES	EQUITY		LIABILITIES	
	NOK	NOK	EUR	EUR
Equity				
Share capital	668 823	668 823	65 753	63 878
Own shares	-2 042	-2 042	-201	-195
Share premium	118 788 021	118 788 021	11 678 286	11 345 236
Total equity	119 454 803	119 454 803	11 743 839	11 408 919
Retained earnings				
Retained earnings	89 976 385	87 194 240	8 845 757	8 327 769
Total retained earnings	89 976 385	87 194 240	8 845 757	8 327 769
Total equity and retained earnings	209 431 188	206 649 043	20 589 595	19 736 688
LIABILITIES				
Provisions for liabilities				
Deferred tax liabilities	7 850 256	6 249 931	771 774	596 920
Total provisions for liabilities	7 850 256	6 249 931	771 774	596 920
Other long-term liabilities				
Loans from credit institutions	398 419 846	143 264 682	39 169 445	13 682 959
Other long-term liabilities	6 273 170	8 081 939	616 728	771 892
Total long-term liabilities	404 693 016	151 346 621	39 786 173	14 454 851
Short-term liabilities				
Loans from credit institutions	10 631 055	174 982 525	1 045 160	16 712 274
Accounts payable	26 490 692	3 236 503	2 604 353	309 113
Payable taxes	1 174 624	5 083 694	115 480	485 535
Public fees and taxes	15 190 791	2 209 826	1 493 437	211 057
Other short-term liabilities	22 558 918	61 452 968	2 217 812	5 869 265
Total short-term liabilities	76 046 080	246 965 516	7 476 241	23 587 244
Total liabilities	488 589 352	404 562 069	48 034 188	38 639 014
TOTAL EQUITY & LIABILITIES	698 020 538	611 211 111	68 623 784	58 375 702

Note 1								
BOOKED EQUITY					(Unaudited)			
(NOK)	Share capital	Own shares	Share premium	Retained earnings	Total			
Booked equity per 01.01.2021	668 823	-2 042	118 788 021	87 194 240	206 649 043			
Profit/loss before taxes				9 320 342	9 320 342			
Divided distributed in June 2021				-10 032 348	-10 032 348			
<i>Booked taxes per date</i>				-1 010 834	-1 010 834			
<i>Currency differences on equity</i>				4 504 985	4 504 985			
Booked equity per 30.06.2021	668 823	-2 042	118 788 021	89 976 385	209 431 188			
Note 2								
BOOKED FIXED ASSETS					(Unaudited)			
(NOK)	Land, buildings, etc.	Other fixed assets	Total tangible assets					
Booked fixed assets per 01.01.2021	556 665 167	10 666 955	567 332 122					
Sale of property from UAB BSP IP	-43 281 357	-10 171 700	-53 453 057					
Sale of properties from UAB BSP RP 1	-42 791 660		-42 791 660					
Sale of property from UAB BSP RP 5	-10 761 008		-10 761 008					
Purchase of Liepū parkas UAB	12 302 691		12 302 691					
Purchase of Pastaty Vystymas UAB	125 203 826		125 203 826					
Purchase of Klaipėdos Verslo Parkas UAB	27 826 675		27 826 675					
Amortisation of fixed assets	-11 127 377		-11 127 377					
Reversal of tangible fixed asset impairments from previous periods*	4 195 929		4 195 929					
<i>Currency differences **</i>	-16 516 092		-16 516 092					
Other additions	578 778		578 778					
Booked fixed assets per 30.06.2021	601 716 795	1 074 033	602 790 829					
* Accounting profits from property sales less than accumulated impairments from previous periods are here presented as reversal of previous impairments.								
** Currency differences are caused by differences in going balances due to different exchange rates per 01.01.2021 and 30.06.2021, as well as differences in exchange rates per date of transactions throughout the period and end of period (30.06.2021).								
Note 3								
LOANS FROM CREDIT INSTITUTIONS					(Unaudited)			
(NOK)	Long-term liabilities	Short-term liabilities	Market value IRS	Total				
Mezzanine loan*		14 475 916		14 475 916				
Bank loans**	398 419 846	10 631 055	6 273 170	415 324 071				
SUM	398 419 846	25 106 971	6 273 170	429 799 987				
* In April and May 2021, BSP repaid a total of MNOK 38 (MEUR 3.7) of the mezzanine loan. The maturity of the loan's principal amount (MNOK 14.2) was extended until May 2021.								
** In March 2021, BSP signed an agreement with Luminor to refinance its total portfolio. The refinancing was completed in June. After the refinancing the loans have an interest rate of 2,05% + 3-m Euribor and a 20-year downpayment plan.								

CASH FLOWS FROM PROPERTY-RELATED TRANSACTIONS (Unaudited)

Figures in EUR.

Incoming cash flows from properties/entities sold (01.01.2021-30.06.2021)

	Sales price (EUR)	VAT (EUR)	Payments in (EUR)
SPV			
IP	5 000 000	1 050 000	6 050 000
RP5, Kursenai	1 312 050	275 531	1 587 581
RPI, Total	4 987 000		4 987 000
Total	11 299 050	1 325 531	12 624 581

Outgoing cash flows from properties/entities bought (01.01.2021-30.06.2021)

	Purchase price (EUR)	VAT (EUR)	Payments out (EUR)	Due in December 2021* (EUR)
SPV				
Liepāja parkas UAB	- 1 102 931	-	- 835 355	- 267 576
Klaipėdos Verslo Parkas UAB (Klaipeda Business Park)	- 1 994 520	-	- 1 510 640	- 483 879
Pastaty Vystymas UAB	- 6 382 999	-	- 4 834 455	- 1 548 544
Total	- 9 480 450	-	- 7 180 450	- 2 300 000
NET	1 818 600	1 325 531	5 444 130	- 2 300 000

* MEUR 2,3 of the total purchase price for KVP UAB, Liepāja parkas UAB, and Pastaty Vystymas UAB is due for payment in December 2021.