

Eco Baltia

Largest environmental and
waste management group
in the Baltics



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01

OVERVIEW

GENERAL OVERVIEW

Eco Baltia is the largest vertically integrated multi-service environmental services group in Baltics

- **As pioneers in the industry**, Eco Baltia was the first to establish a PET bottle recycling plant in the Baltic States under PET Baltija
- **Eco Baltia has a modern asset base**, able to meet the most demanding needs of our customers
- **Backbone of Circular Economy in Baltics** with high growth potential



ECO BALTIA KEY POINTS

Leading waste management provider

WELL-INVESTED ASSET BASE...

30 Number of facilities, across Latvia, Lithuania, Poland and Czech Republic

...RESULTING IN LARGE CAPACITIES

>250 kt Processing capacity
p.a.

LEADER IN THE BALTICS REGION

#1 Leading waste management provider in the Baltics

SIZABLE AND GROWING BUSINESS

EUR243M 2023 Revenue Accelerated revenue growth fueled by strategic M&A and operational enhancements.

GROWTH THROUGH INVESTMENT

> EUR15M Average CAPEX investments p.a. since 2020

EXCELLENT PROFITABILITY

EUR32M 2023 EBITDA Substantial improvement of profitability results reinforced by operational efficiency

Notes:

Company rankings are determined through peer comparison based on turnover data sourced from commercial registries.
Revenue and EBITDA results are pro-forma to reflect full-year effect of Metal Plast.

ECO BALTIA CORE STRENGTHS

The leading high-growth Baltics waste management provider,

which covers the entire waste management value chain, making it a **unique investment opportunity in circular economy and ESG frontrunner in the region**



HIGH ENTRY BARRIERS

Eco Baltia owns a very optimized distribution network of plants across Latvia and Lithuania, making it difficult for any company to compete

COMPREHENSIVE SERVICES PORTFOLIO

Eco Baltia companies represent unique one-stop shop for B2B clients with waste management needs

VERTICAL INTEGRATION

Eco Baltia, thanks to its vertically integrated business units, is able to offer comprehensive waste services that ultimately allow for higher margins

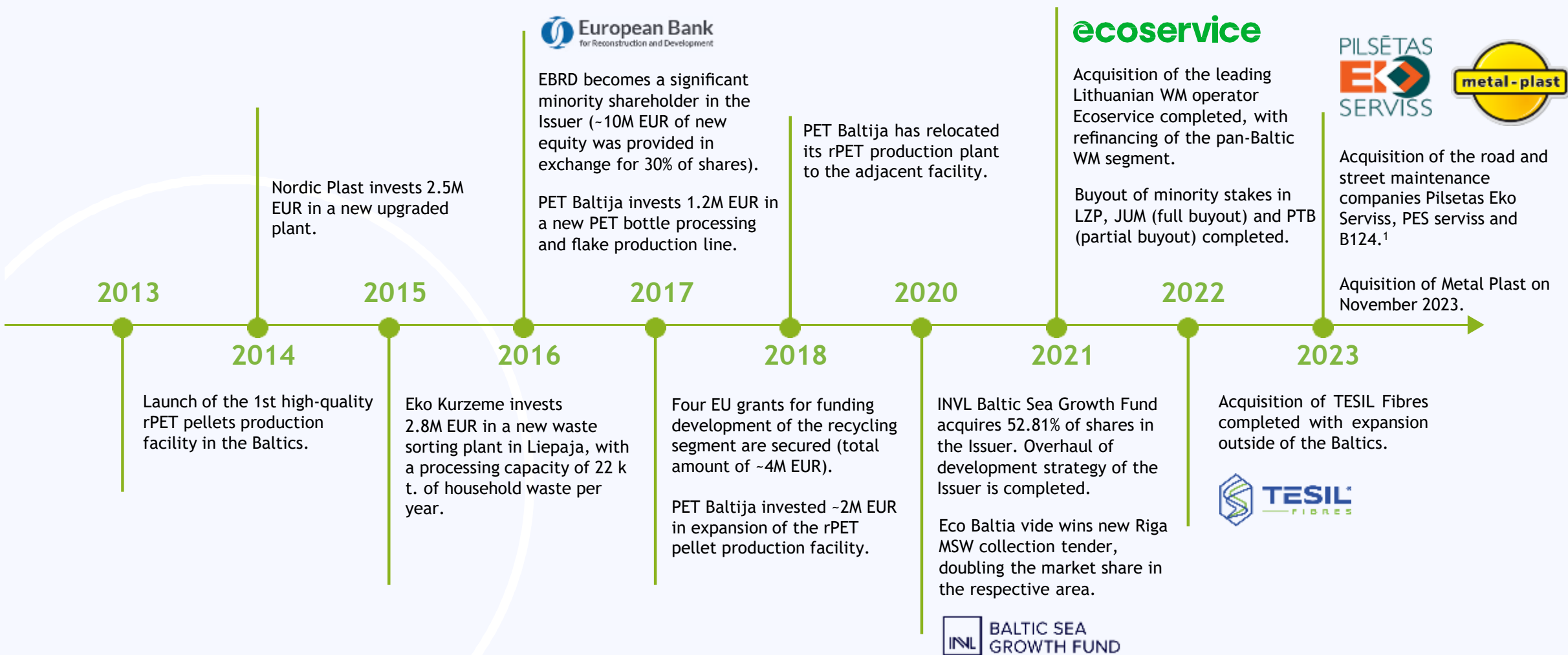
LONG-TERM COOPERATION WITH MUNICIPALITIES

HIGHLY EXPERIENCED C-LEVEL TEAM

RESILIENT AND SUSTAINABLE FINANCIAL PERFORMANCE

SUPPORTIVE EU REGULATIONS FOR POLYMERS INDUSTRY AND PACKAGING RECYCLING

LAST 10 YEARS OF ECO BALTIA



¹ Pilsētas Eko Serviss, PES serviss and B124 have been reorganized into Eco Baltia vide as of 01.12.2023.



02

ORGANIZATIONAL &
BUSINESS STRUCTURE

SHAREHOLDER STRUCTURE OF ECO BALTIA



INVL Baltic Sea Growth Fund

Managed by INVL, leading Baltic investment management and life insurance group

Founded in 1991, has solid experience in managing private equity assets and building market players that are leaders in their respective fields in the Baltic countries and Central and Eastern Europe. Over its life-time INVL group has executed deals worth more than EUR 1,8bn.

INVL Baltic Sea Growth Fund holds 52.81% of the shares indirectly via UAB "BSGF Salvus" (LT).



European Bank for Reconstruction and Development (EBRD)

First Institutional investor in Eco Baltia

The European Bank for Reconstruction and Development is an international financial institution founded in 1991. As a multilateral developmental investment bank, the EBRD uses investment as a tool to build market economies.

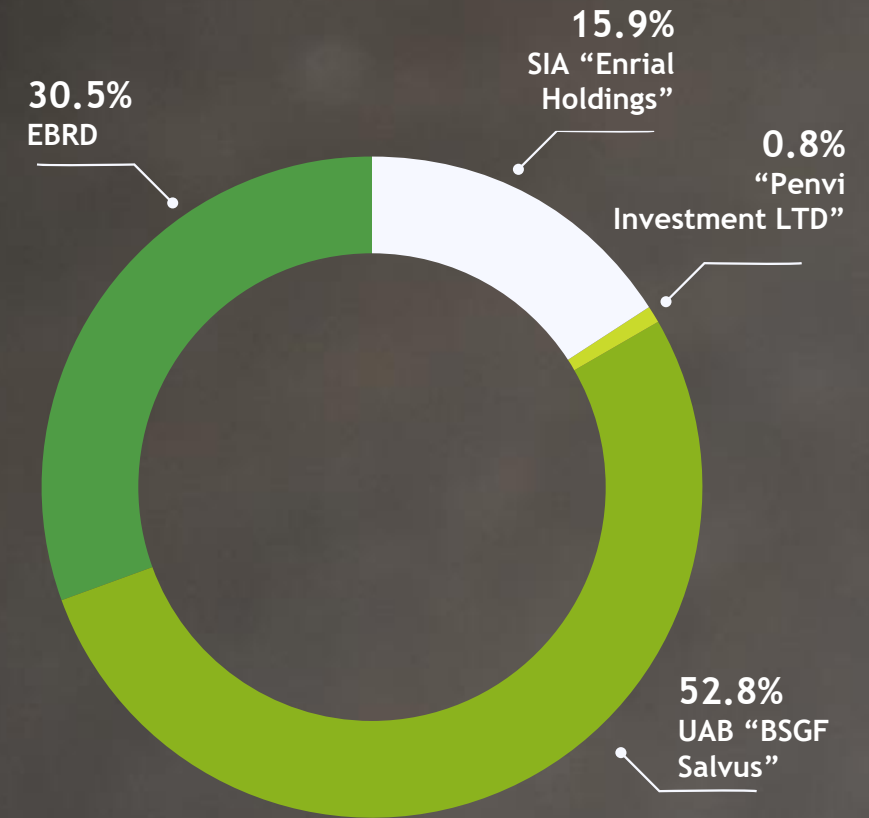


Māris Simanovičs

CEO of Eco Baltia

Since 2007 Māris has led the consolidation of waste management market in Latvia. Under Maris' management Eco Baltia has grown into a regional player in the Baltic States with well-established regional supply, sales channels and strong shareholder's structure.

Māris holds 16.68% of the shares indirectly through SIA "Enrial Holdings" (LV) and "Penvi Investment LTD" (CY).



SUPERVISORY BOARD



VYTAUTAS PLUNKSNIS
Chairman of Supervisory Board at Eco Baltia

Vytautas has extensive experience in international investment management. As Head of INVL Private Equity, Vytautas has been involved in various large-scale investment projects for INVL in Lithuania, Latvia, Moldova and Norway.



DEIMANTE KORSAKAITE
Deputy Chair of the Supervisory Board at Eco Baltia

Deimante is recognized as one of the leading M&A experts in Lithuania with extensive experience in transaction structuring and negotiations, legal due diligence. Advised local and international clients on deals with the combined value of almost €2 bn.



ALBERTO ATIENZA GUELL
Member of Supervisory Board at Eco Baltia

Alberto has extensive experience in public and private equity and quasi-equity transactions across a wide range of industries (with a focus on healthcare & pharma, manufacturing & services, consumer goods, and retail) and geographies, having executed high profile investments in CEE, SEE and Turkey. Currently he is Associate Director in EBRD's Equity team based in London.



JURGITA PETRAUSKIENE
Independent Member of Supervisory Board at Eco Baltia

Jurgita is a certified board member (with 15+ years of industry experience in water supply, waste-water, waste management) with competencies in investment projects, innovation, strategic planning and management.



GINTS PUCĒNS
Member of Supervisory Board at Eco Baltia

Gints has extensive experience in advising on acquisitions, disposals, and restructuring of companies. Gints provides legal advice on corporate governance and shareholders issues. Legal support in fundraising for both established businesses and agile start-ups.



ALGIMANTAS MARKAUSKAS
Member of Supervisory Board at Eco Baltia

Algimantas is acknowledged as a robust leader and accomplished manager. With over 14 years of experience in senior roles at Thermo Fisher Scientific, he developed company's subsidiary in Vilnius, which was acclaimed as the most valuable company in the Baltics in 2022. His forte lies in crafting and executing corporate strategies.

GROUP MANAGEMENT TEAM



MĀRIS SIMANOVIČS
Chief Executive Officer
& Founder

More than 20 years in the environment industry

One of the most highly regarded managers in the environmental segment in Latvia. Under Māris' management Eco Baltia has successfully evolved into an regional player with significant growth opportunities. He is actively seeking new ways to foster further business development



SANTA SPŪLE
Chief Financial Officer &
Board member

More than 20 years in accounting, audit and finance

In her professional career Santa has served as a CFO in various companies. Santa's key priorities are oriented towards budgeting, performance assessment, fundraising, standardization of accounting across the group, internal and external audits



SIGITA NAMATĒVA
Chief Legal Officer & Board member

More than 20 years in law

Sigita is one of the most experienced lawyers in the field of waste management and environmental issues. She has taken part in development of numerous waste management legislation changes in Latvia and Brussels



SAULIUS BUDREVIČIUS
Board member

More than 20 years in the environment industry

Saulius is responsible for overseeing research and development initiatives, as well as the successful implementation of various investment projects within the Group

03

BUSINESS
SEGMENTS

KEY SEGMENTATION OF THE GROUP

ENVIRONMENTAL SERVICES

WASTE COLLECTION

TRADE OF SORTED RECYCLABLES

PRODUCERS RESPONSIBILITY ORGANISATION

LIQUID WASTE & BIO TOILETS

STREET CLEANING AND STREET MAINTENANCE SERVICES

CONSTRUCTION WASTE COLLECTION AND SORTING

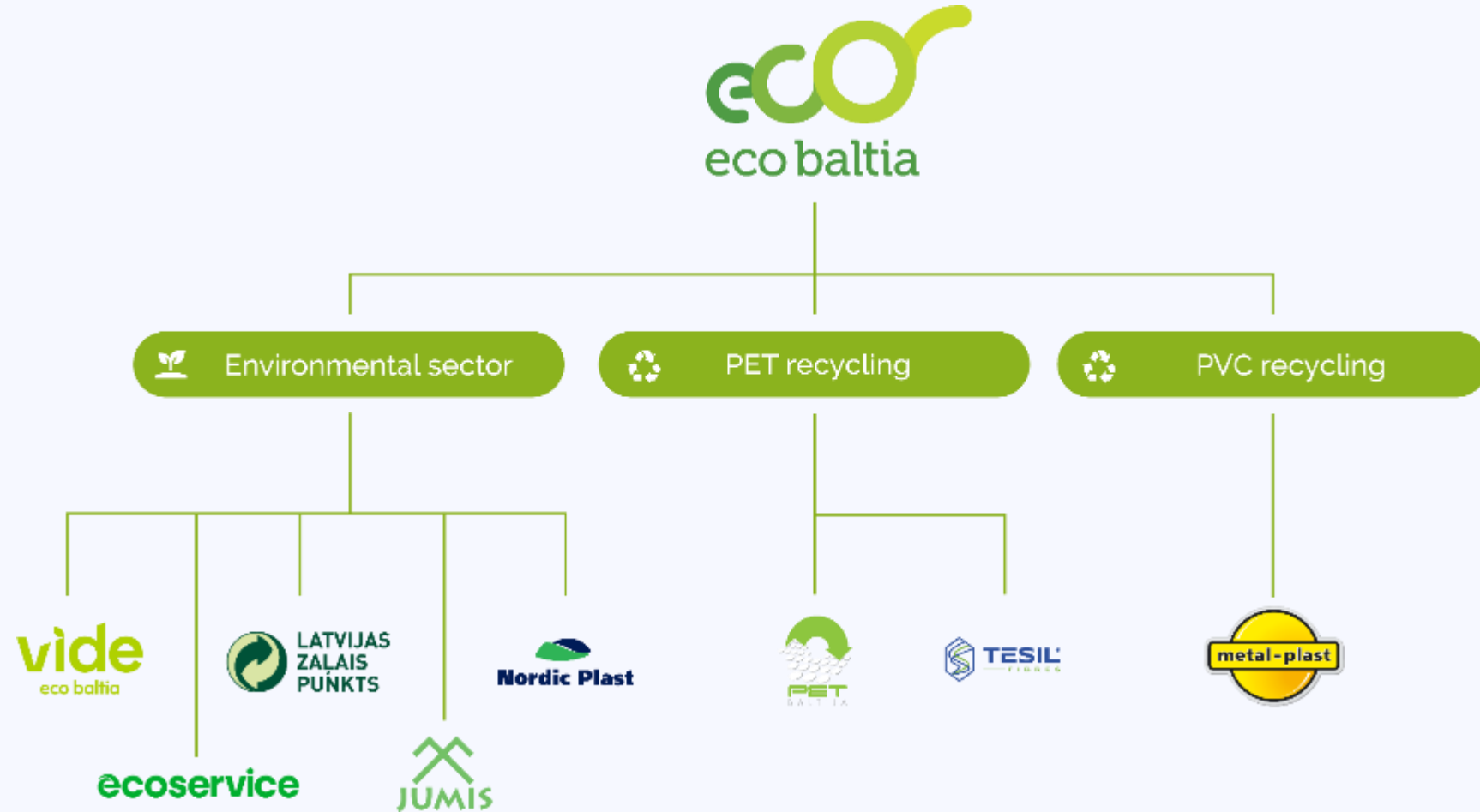
PET RECYCLING

POLYETHYLENE TEREPHTHALATE (PET)
RECYCLING

FIBRE PRODUCTION

PVC RECYCLING

PVC POST-PRODUCTION SCRAP RECYCLING



ENVIRONMENTAL SERVICES COMPANIES



Roots dating back to 1996, through consolidation of three experienced waste management companies. Eco Baltia vide is a leading environmental management company offering a comprehensive spectrum of services, including household and sorted waste removal, used packaging management, handling of debris and large-scale waste, territory cleanup, seasonal services, and composting toilet solutions



~600
employees



54.3M EUR
revenue (2023)



Established in 2000 as the first business unit of Eco Baltia and acts as an organizer of the regeneration system. Organizes recycling of packaging waste, waste of electrical goods and environmentally harmful products in accordance with a multi-year action plan of the Latvian State Environmental Service.



~15
employees



12.7M EUR
revenue (2023)



Established 1991, the Company provides waste management services in the Sigulda City and Eco Baltia is managing JUMIS under concession agreement with Sigulda Municipality till 2033 by using all rights and obligations of the shareholder.



~15
employees



1.8M EUR
revenue (2023)



Established in 1995, market-leading environmental services company in Lithuania, specializing in collection, transportation and processing of municipal solid waste, sorted recyclable materials, construction waste, auxiliary waste and mobile toilet rental services. Owns critically significant infrastructure in this segment.



~1 270
employees



65.1M EUR
revenue (2023)

RECYCLING SEGMENT COMPANIES



Founded in 2003, specialises in used PET (polyethylene terephthalate) bottle secondary recycling by producing high quality PET flakes and pellets. One of the largest in Northern Europe and the only recycling company of this kind in Latvia. Currently executing major capacity increase project.


 ~250 employees

 43.8M EUR revenue (2023)



Established by spin-off in 2022, primary producer of polyester fiber in the Czech Republic. Known for its high-quality standards, TESIL Fibres is the leading recycled fibre supplier in the European market for the automotive, hygiene, textile and furniture industry segments.

 ~100 employees


 29.8M EUR revenue (2023)



Nordic Plast

Established in 2000, recycling company specialising in recycling PP, LDPE film and hard plastic HDPE. One of the leading polyethylene recycling companies in Latvia.


 ~100 employees

 8.2M EUR revenue (2023)



Leader in the PVC post-production scrap recycling market, constantly operated in this industry since 1993. Located in Poland.

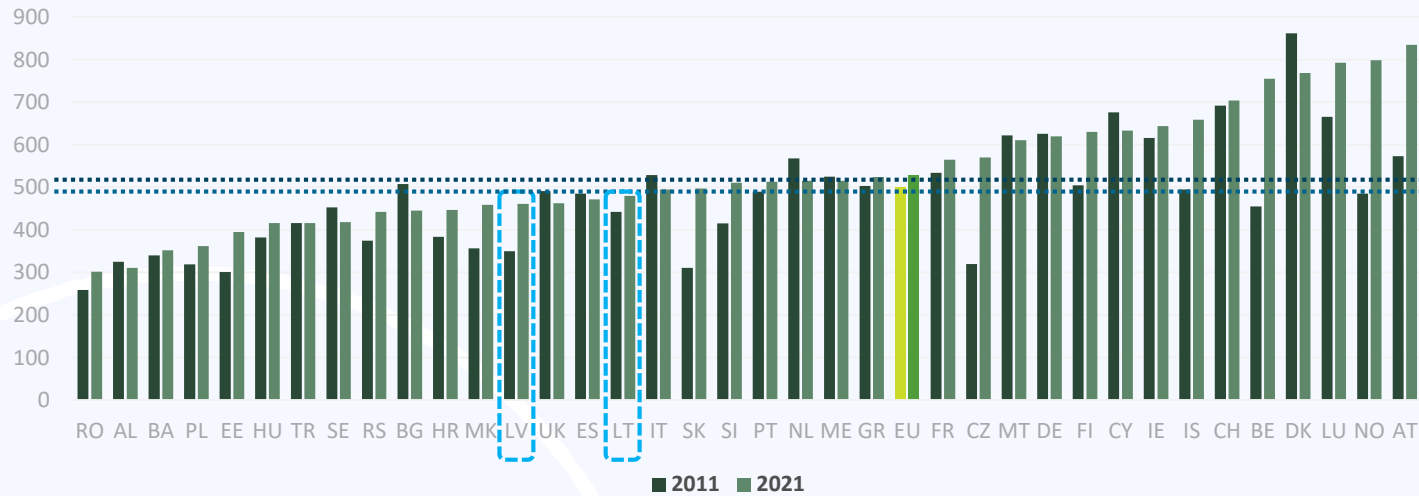
 ~180 employees

 28.4M EUR¹ revenue (2023)

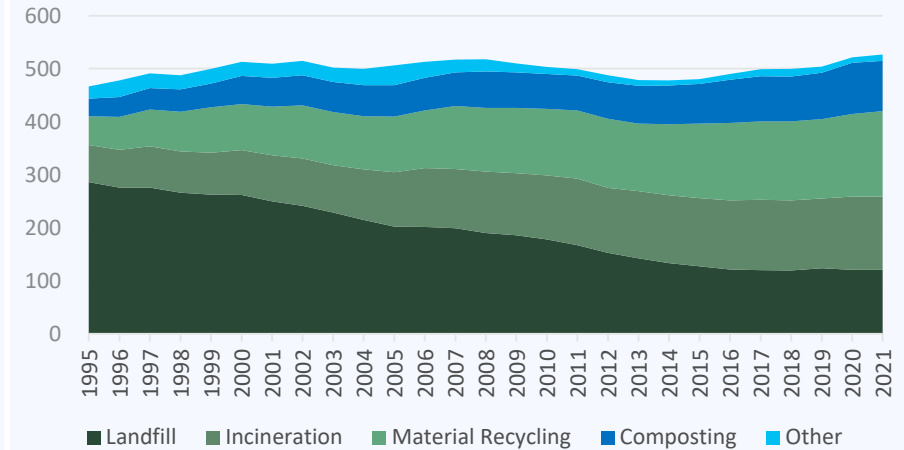
¹ Pro-forma for full-year 2023, acquired in November 2023.

BUSINESS ENVIRONMENT

Municipal Waste Generated by Country, 2011 & 2021 (Kg per capita)¹



Municipal Waste Treatment, EU, 1995-2021 (Kg per capita)²



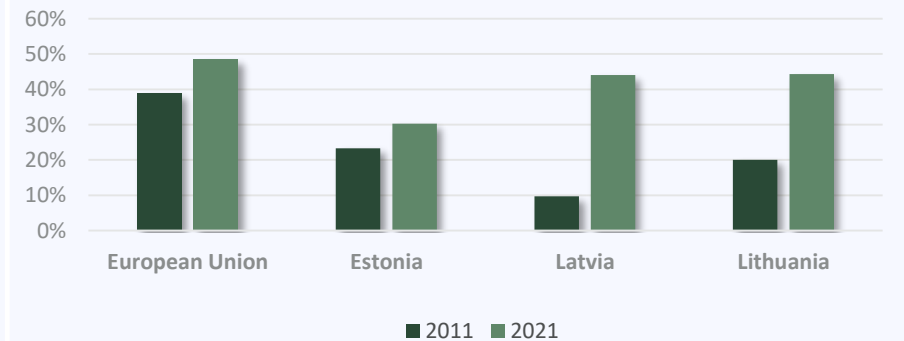
Although the waste management market in the Baltics is relatively smaller when compared to larger regions like Western Europe, Eco Baltia maintains a strong foothold in its operational domain. Eco Baltia holds the following positions:

- Eco Baltia is the largest entity within the environmental services segment in Lithuania;
- It ranks as the second largest privately-owned municipal waste collection company in Latvia and stands as the primary market leader in waste recovery organization within Latvia.

Latvia and Lithuania are far behind Nordic economies and fall below the European Union's average in waste generation. As the Baltic states continue to narrow the gap in terms of GDP and living standards compared to the EU average, we can anticipate a similar convergence in waste generation trends.

The flow of waste generation is steadily on the rise, and as we move toward reduced landfill usage, we anticipate a significant enhancement in both the processing and recycling segments of the business.

Recycling rate of municipal waste, 2011 & 2021³



¹ <https://ec.europa.eu/eurostat/databrowser/bookmark/490c5bef-d685-408b-a44b-ca1ce0d5b137?lang=en>

² <https://ec.europa.eu/eurostat/databrowser/bookmark/5e5554c6-c458-443d-90d6-13f4ca887f33?lang=en>

³ <https://ec.europa.eu/eurostat/databrowser/bookmark/61efd146-a202-4b30-9ecf-f24d86accaf1?lang=en>



04

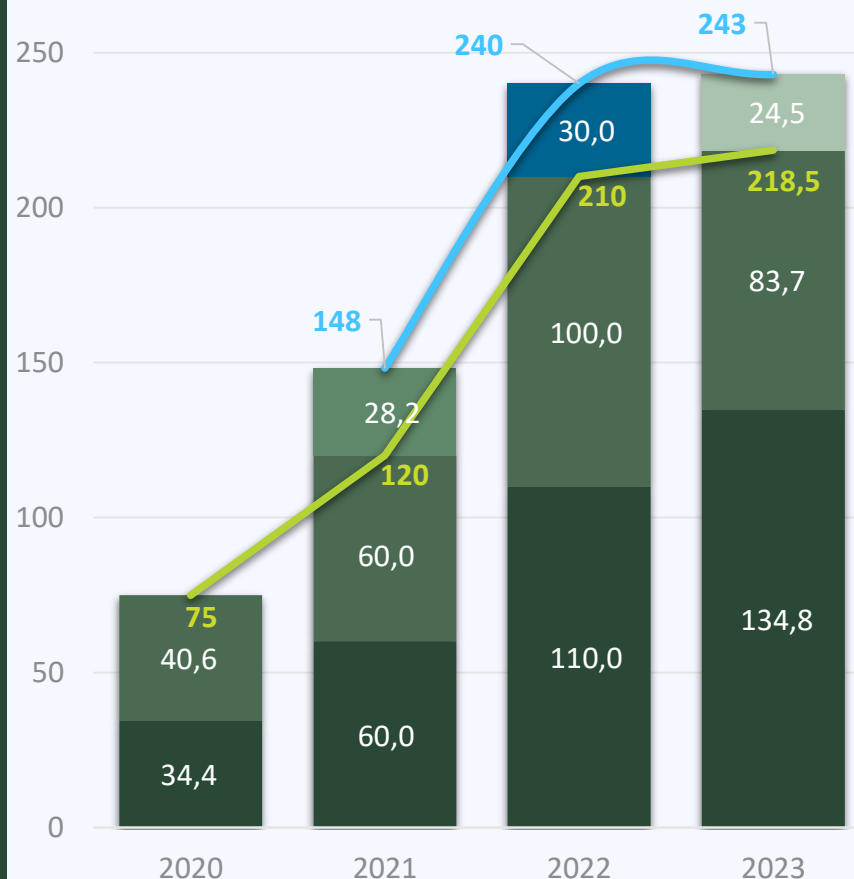
FINANCIALS

KEY FINANCIAL HIGHLIGHTS

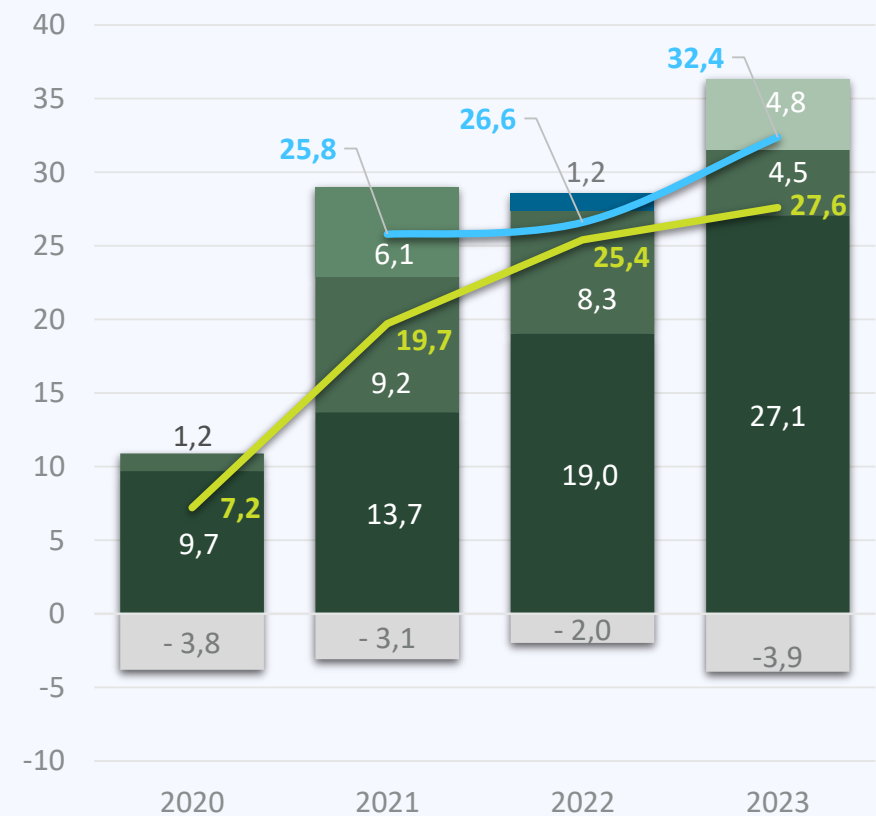
Strong growth with robust profitability

- **EBITDA growth:** considerable increase, M&A activities contributing 30-40% to total growth
- **Environmental Services segment Growth:**
 - 2021: Driven by Riga MSW agreement and market share
 - 2022: Continued unit revenue growth
 - 2023: Acquisition effect of Pilsētas Eko Serviss
- **Plastics Recycling segment Growth:**
 - Driven by "Green" trend
 - Major brands using reusable materials
 - Increased packaging demand due to COVID-19
 - Acquisition of Metal Plast in 2023

REVENUE



EBITDA*



■ Environmental services
■ Ecoservice Jan-Aug'21**
■ Metal Plast Jan-Oct'23****
— Total consolidated
■ Plastics recycling
■ Tesil Jan-Sep'22***
— Total pro-forma

■ Environmental services
■ Ecoservice Jan-Aug'21**
■ Metal Plast Jan-Oct'23****
— Total pro-forma
■ Plastics recycling and related
■ Tesil Jan-Sep'22***
■ Other*****
— Total consolidated

Notes:

Revenue and EBITDA results are pro-forma to reflect full-year effect of acquisitions.

* Pro-forma EBITDA reported as per IFRS, with the exception of 1.2m EUR Tesil fibres Jan-Sept '22, which is according to Czech GAAP due to carve-out.

** Ecoservice pro-forma result for Jan-Aug'21.

*** Tesil fibres pro-forma result for Jan-Sep'22.

**** Metal Plast pro-forma result for Jan-Oct'23.

***** Includes Hold co. and other cost centers.

KEY FINANCIAL HIGHLIGHTS

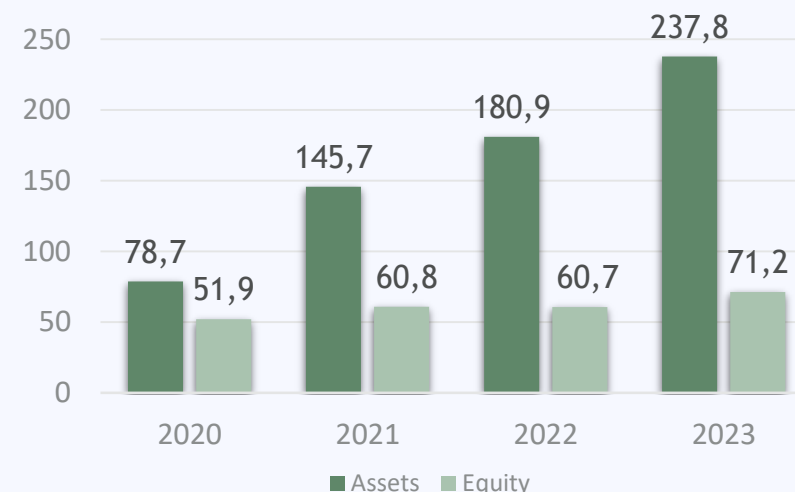
Increasing leverage driven by growth

- **Total book assets** have been growing along with the overall business expansion
- **Substantial growth of balance sheet**, associated with recent development CAPEX and M&A
- **The decline in EBITDA margin** in 2022 was primarily influenced by fluctuations in energy prices. However, the focus remains on achieving favorable terms in the medium to long term
- **Moderate level** of net debt presents growth opportunities through M&A or CAPEX

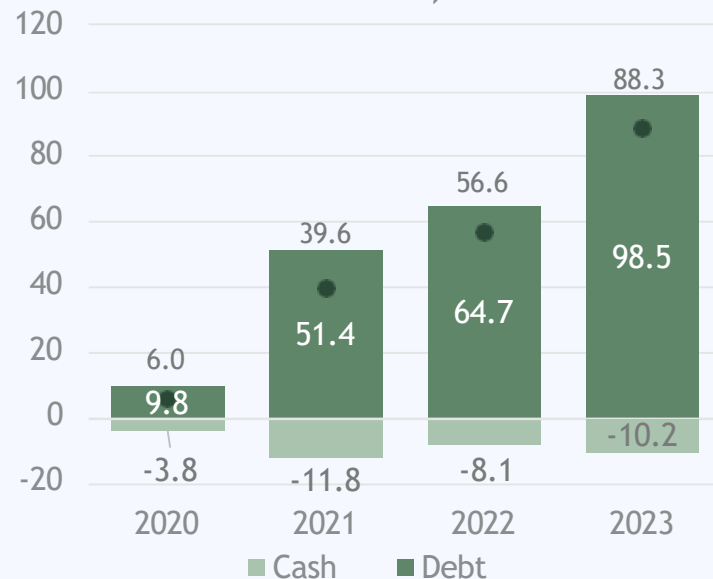
EBITDA % MARGIN



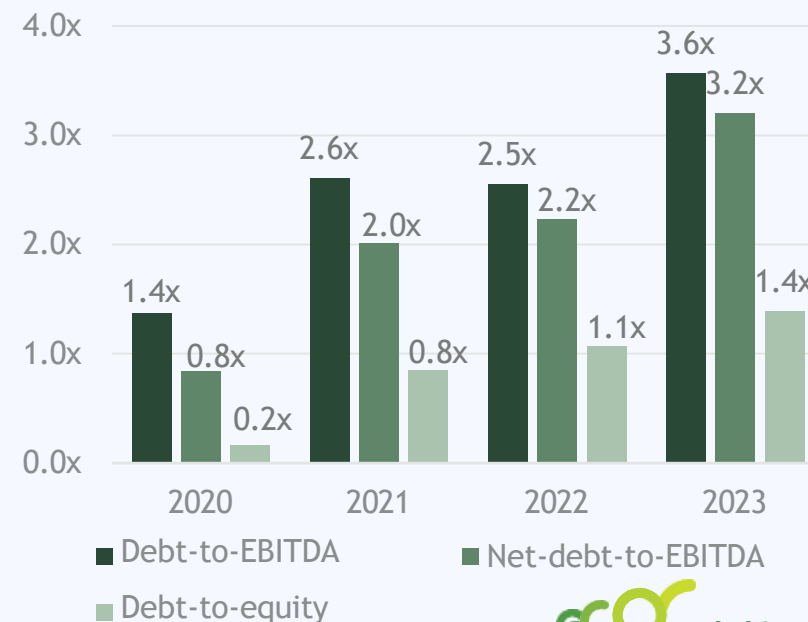
CONSOLIDATED ASSETS AND EQUITY



CONSOLIDATED NET DEBT/(NET CASH)



CONSOLIDATED RELATIVE LEVERAGE METRICS



Notes: Financials are reported as per IFRS. Debt exc. IFRS16 lease liabilities.

KEY INVESTMENT CONSIDERATIONS



LEADER IN THE BALTIC REGION

- #1 waste management solutions provider in the Baltics
- #1 producers' responsibility organization ("green-dot") in Latvia
- One of the largest PET recyclers in Northern Europe and leading in Latvia
- Leading PET fibre producer in Czech Republic
- Leading position in the PVC post-production scrap recycling market in Poland
- Largest owner of infrastructure critical to achieve national waste recycling targets



SOLID BUSINESS MODEL AND FINANCIAL PERFORMANCE

- Multi-service business mix, meeting needs of most demanding investors
- Business model supported by ESG trends in the EU
- Diversified customer and supplier base
- Long-lasting relationships with key customers and municipalities
- Solid experience and capacity to grow organically or through M&A
- Systematic effort invested in improvements in operational efficiency
- Resilience to market uncertainty



ESTABLISHED ASSET BASE

- Heavily asset-based, with a focus on long-term contracts
- 30 facilities in the Baltic States and one in Czech Republic
- Advanced technological capacities, more than 260 specialised vehicles
- Over 2500 employees
- Significant industry know-how
- High entrance barriers due to nature of asset-intensive business model



BACKED BY INSTITUTIONAL INVESTORS

- Experienced management team and the supervision of:
 - INVL: top Baltic private equity management player; acquired control in July 2020 indirectly through UAB "BSGF Salvus"
 - European Bank for Reconstruction and Development: became a shareholder in 2015

Thank you!

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eco baltia