



JOINT STOCK COMPANY ECO BALTIA

**UNAUDITED INTERIM REPORT
FOR THE THREE MONTHS
PERIOD ENDED 31 MARCH
2025**

PREPARED IN ACCORDANCE WITH LAW ON ANNUAL STATEMENTS AND
CONSOLIDATED ANNUAL STATEMENTS

RIGA, 2025



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A hand is shown holding a clump of shredded white paper and plastic waste, with small bits of colored paper (pink, blue, green) visible. Below the hand is a large, overflowing pile of the same shredded material. The background is a blurred industrial setting, likely a recycling plant, with metal structures and conveyor belts. A green curved line is positioned to the left of the text.

GENERAL INFORMATION

GENERAL INFORMATION



Name of the Company	Eco Baltia
Legal status of the Company	Joint stock company
Registration number, place and date of the Company	40103435432 Riga, 08 July 2011
Registered office of Company	Latgales iela 240-3, Riga, LV-1063, Latvia
Shareholders of the Company	BSGF Salvus UAB, Gyneju g.14, Vilnius, Lithuania (52.81%) European Bank for Reconstruction and Development, Five Bank Street, London, E14 4BG (United Kingdom) (30.51%) Enrial Holdings SIA, Baltā iela 5, Bukulti, Garkalnes novads, LV-1024 (15.93%) PENVI INVESTMENT LTD, Spyrou Kyprianou, 82, Euro House, 1 st floor, 4043, Limassol, Kipra (0.75%)
Management Board Members of the Company	Māris Simanovičs – Chairman of the Management Board Santa Spūle – Management Board Member Sigita Namatēva – Management Board Member Saulius Budrevičius - Management Board Member
Supervisory Board Members of the Company	Vytautas Plunksnis — Chairman of the Supervisory Board Deimante Korsakaite — Deputy Chairperson of the Supervisory Board Jurgita Petrauskiene – Supervisory Board Member Gints Pucēns – Supervisory Board Member Atienza Guell Alberto – Supervisory Board Member Algimantas Markauskas - Supervisory Board Member
Subsidiaries	AS „ITERUM” Elejas iela 1, Grēnes, Olaines pagasts, Olaines novads, Latvija (94,9%) SIA „Eco Baltia vide” Getliņu iela 5, Rumbula, Stopiņu pagasts, Ropažu novads, Latvija (100%) SIA „Nordic Plast” Aviācijas iela 18G, Jelgava, Latvija (100%) Eco Recycling UAB, Gyneju g. 14, Viļņa, Lietuva (55%)
Reporting period	1 January 2025 – 31 March 2025



MANAGEMENT REPORT

Business profile

Eco Baltia AS (the Company) is the parent company (holding company) of subsidiaries operating in the recycling and waste management sector in Latvia, the Czech Republic, Poland and Lithuania. The Company actively monitors its investments by participating in the management of the subsidiaries and in the development and implementation of their strategies. Eco Baltia provides financial, human resources and management services to its subsidiaries. The main subsidiaries managed by the Group are ITERUM AS, Nordic Plast SIA, Eco Baltia vide SIA, Latvijas Zaļais punkts SIA, JUMIS SIA in Sigulda, Oil Recovery SIA, Ecoservice Group in Lithuania, TESIL Fibres S.r.o. in the Czech Republic and Metal-Plast Sp.z.o.o in Poland.

Development and financial performance of the Company during the reporting period

In the first quarter of 2025, the Company actively continued its work on the management of the Group companies and contributed to the expansion of both business segments - PET and plastics recycling and environmental management - through organic growth.

Alongside the acquisitions completed last year, work is continuing on the evaluation of new business lines and acquisitions, with the aim of further strengthening the Company's position and market share both in Latvia and internationally, while developing and expanding the full-cycle waste stream in the Company's overall service portfolio.

In this context, during the reporting period, the Competition Council (CC) adopted a decision to allow Eco Baltia vide SIA to acquire sole decisive influence over DAUGAVPILS SPECIALIZĒTAIS AUTOTRANSPORTA UZŅĒMUMS AS (DSATU AS). Further acquisition-related processes are currently underway and the transaction is expected to close in 2025.

Continuing to develop responsible business principles, during the reporting period four Group companies received high scores in the Sustainability Index 2024 organised by the Institute for Corporate Sustainability and Responsibility. "Eco Baltia vide and ITERUM were awarded platinum status, while Nordic Plast and JUMIS were awarded gold status. The Sustainability Index serves as an important

monitoring mechanism that helps companies in Latvia to objectively assess their sustainability and corporate responsibility performance.

In addition, the Company was also awarded in the field of stock exchange investor relations in the reporting period - it received the "Nasdaq Baltic Awards 2025" award (3rd place) in the Best Investor Relations in the First North Bond Market nomination, highlighting the Group's professional approach and openness in communication with investors.

Taking into account that the Group's companies operate according to circular economy principles and implement sustainable business practices in their daily operations, intensive work continued during the reporting period on the development and implementation of a unified ESG (Environmental, Social Responsibility and Governance) strategy both for the Company and its main subsidiaries.

At the same time, measures were taken to improve the internal working environment and occupational safety, reinforcing the LEAN approach in the corporate culture. Initiatives were also implemented to promote employee well-being, personal development and the development of new skills.

The Company closed the first quarter of 2025 with a loss of EUR 145 643 (first three months of 2024: loss of EUR 1 054 194). The result for the first three months of 2025 has improved if comparing to last year mainly due to less administrative expenses related to future development projects. The Parent Company's turnover for the first quarter of 2025 is EUR 391 421, a decrease of 27% compared to EUR 533 488 in the first three months of 2024, due to the review of management services provided in relation to the transfer pricing policy developed within the Group.

Further development of the Company

The Company's main objectives in 2025, in line with the strategic objectives and shareholders' targets, are to continue to manage the subsidiaries, improving the quality of customer service, strengthening and expanding the market shares of the Group companies in the waste management sector and in the markets for the treatment and recycling of secondary raw materials, as well as by improving technological processes and diversifying the range of

recyclable materials. Efficiency and digitalization will continue to be a key focus. Work will also continue on acquisitions and mergers of new businesses, further strengthening the market position in the Baltics and Northern Europe as the largest full-cycle environmental resource manager.

Events after the end of the reporting period

There have been no other events between the last day of the reporting period and the date of signing these financial statements that require adjustment or explanation in these financial statements.

STATEMENT OF MANAGEMENT RESPONSIBILITIES

The management of Eco Baltia confirms that the unaudited interim report has been prepared in accordance with the requirements of applicable law and gives a true and fair view of the financial position of the company as of 31 March 2025 and its financial performance and cash flows for the period.

The management report provides a clear summary of the business development and financial performance of Eco Baltia. The unaudited interim financial statements have been prepared in accordance with the Law of Annual Statements and Consolidated Annual Statements of the Republic of Latvia. At the time of preparation of the unaudited interim report, management:

- used and applied appropriate accounting policies;
- made reasonable and prudent judgements and estimates;
- applied the going concern basis except where the application of that basis would not be reasonable.

The management board is also responsible for maintaining appropriate accounting records that would provide a true and fair presentation of the financial position at a particular date and financial performance and cash flows and enable the management to prepare the financial statements according to the Law of Annual Statements and Consolidated Annual Statements of the Republic of Latvia.



MĀRIS SIMANOVIČS
ECO BALTIA
CHAIRMAN OF
THE MANAGEMENT BOARD



SANTA SPŪLE
ECO BALTIA
MANAGEMENT BOARD MEMBER,
CFO



SIGITA NAMATĒVA
ECO BALTIA
MANAGEMENT BOARD MEMBER,
CLO



SAULIUS BUDREVIČIUS
ECO BALTIA
MANAGEMENT BOARD MEMBER



FINANCIAL STATEMENTS

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INCOME STATEMENT



EUR	01.01.2025- 31.03.2025 (Unaudited)	01.01.2024- 31.03.2024 (Unaudited)
Net turnover	391 421	533 488
Production cost of goods sold	(85 358)	(1 000 831)
Gross profit	306 063	(467 343)
Selling and distribution expenses	(12 056)	(8 441)
Administrative expenses	(235 752)	(382 302)
Other operating income	30 942	22 253
Other operating expenses	(11 640)	(19 632)
Revenue from other securities and loans which formed long-term financial investments	120 000	197 825
• <i>from related companies</i>	120 000	197 825
Other revenue from interest and similar revenue	71 770	20 228
• <i>from related companies</i>	71 770	20 228
Interest payments and similar costs	(414 970)	(416 782)
• <i>from related companies</i>	(8 724)	(10 785)
• <i>other persons</i>	(406 246)	(405 997)
PROFIT OR LOSS FOR THE REPORTING PERIOD	(145 643)	(1 054 194)

STATEMENT OF FINANCIAL POSITION



EUR	Notes	31.03.2025 (Unaudited)	31.12.2024 (Audited)
ASSETS			
Non-current investments			
Intangible investments			
Licences, trade marks and other intangible investments		1 017 048	1 047 711
Total intangible investments		1 017 048	1 047 711
Property, plant and equipment			
Other property, plant and equipment, and inventories		6 929	35 956
Total property, plant and equipment		6 929	35 956
Non-current financial investments			
Investments in related companies	1	51 393 643	49 193 643
Loans to related companies	2	4 000 000	4 000 000
Prepaid expense		-	1 555
Total non-current financial assets		55 393 643	53 195 198
Total non-current investments		56 417 620	54 278 865
Current assets			
Receivables			
Trade receivables		-	12 147
Trade receivables to related companies		1 234 785	1 489 006
Loans to related companies	2	3 549 304	5 368 304
Other receivables		25 387	40 520
Prepaid expenses		66 357	27 309
Total receivables		4 875 833	6 937 286
Cash		9 823	380 812
Total current assets		4 885 656	7 318 098
TOTAL ASSETS		61 303 276	61 596 963

STATEMENT OF FINANCIAL POSITION



EUR	Notes	31.03.2025 (Unaudited)	31.12.2024 (Audited)
LIABILITIES			
Equity			
Share capital		35 005	35 005
Share premium		20 623 389	20 623 389
Reserves for shares		10 000 000	10 000 000
Retained earnings		10 326 427	11 067 882
Profit or loss for the reporting period		(145 643)	(741 455)
Total equity		40 839 178	40 984 821
Accruals			
Other accruals		53 535	58 424
Total accruals		53 535	58 424
Liabilities			
Non-current liabilities			
Long-term debt securities - bonds	3	17 878 417	17 862 577
Obligations under finance leases		-	18 166
Total non-current liabilities		17 878 417	17 880 743
Current liabilities			
Obligations under finance leases		-	4 711
Accounts payable to suppliers		164 801	258 614
Payables to related companies		562 294	520 653
Taxes payable		34 753	66 357
Loans from related companies		1 059 063	1 050 341
Other payables		20 964	21 006
Accrued liabilities		681 308	751 293
Accrued liabilities to related companies		8 963	-
Total current liabilities		2 532 146	2 672 975
Total liabilities		20 410 563	20 553 718
TOTAL EQUITY AND LIABILITIES		61 303 276	61 596 963

STATEMENT OF CASH FLOWS



	EUR	01.01.2025- 31.03.2025 (Unaudited)	01.01.2024- 31.03.2024 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit or loss before tax		(145 643)	(1 054 339)
Adjustments for:			
Corrections of decrease in value of fixed assets		(20 873)	10 549
Corrections of decrease in value of intangible assets		34 482	5 219
Accruals (except of accruals for doubtful debts)		(4 889)	11 599
Profit or loss from fluctuations of foreign currency rates		842	5 982
Revenue from other securities and loans which formed long-term financial investments; from related companies		(120 000)	(197 825)
Interest income or similar income		(71 770)	(20 228)
Interest payments and similar costs		414 970	416 781
Profit or loss before adjustments for the effect of changes in current assets and current liabilities		87 119	(822 262)
Changes in trade receivables		61 887	(8 988)
Changes in trade payables		(255 743)	792 938
CASH FLOWS FROM OPERATING ACTIVITIES		(106 737)	(38 312)
Interest paid		(290 337)	(301 548)
Corporate income tax paid		(1 041)	(1 267)
Net cash flows from operating activities		(398 115)	(341 127)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of fixed assets and intangible assets		(8 485)	(54 321)
Revenue from sale of fixed assets and intangible investments		38 488	-
Issued loans		-	(500 000)
Received interest		20 000	81 333
Net cash flows used in the investing activities		50 003	(472 988)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of obligations under finance leases		(22 877)	(3 866)
Net cash flows used in the financing activities		(22 877)	(3 866)
Net cash flow for the reporting period		(370 989)	(817 981)
Cash and cash equivalents at the beginning of the period		380 812	2 641 004
Cash and cash equivalents on the reporting date		9 823	1 823 023

STATEMENT OF CHANGES IN EQUITY

EUR					
	Share capital	Share premium	Reserves for shares	Retained earnings	Total equity
Balance as at 31 December 2023 (audited)	35 005	20 623 389	-	21 067 882	41 726 276
Loss for the reporting period	-	-	-	(1 054 194)	(1 054 194)
Balance as at 31 March 2024 (unaudited)	35 005	20 623 389	-	20 013 688	40 672 082
Establishment of a reserve using retained earnings	-	-	10 000 000	(10 000 000)	-
Profit for the reporting period	-	-	-	312 739	312 739
Balance as at 31 December 2024 (audited)	35 005	20 623 389	10 000 000	10 326 427	40 984 821
Loss for the reporting period	-	-	-	(145 643)	(145 643)
Balance as at 31 March 2025 (unaudited)	35 005	20 623 389	10 000 000	10 180 784	40 839 178

Notes

1. Investments in related companies

EUR				
Company	%	Initial investment	31.12.2024. (Audited)	31.03.2025. (Unaudited)
AS „ITERUM”, Aviācijas iela 18, Jelgava, Latvia	94.09	9 116 698	12 920 471	15 120 471
SIA „Eco Baltia vide”, Getliņu iela 5, Stopiņu novads, Rumbula, Latvia	100	7 835 884	22 853 264	22 853 264
SIA „Nordic Plast”, Aviācijas iela 18G, Jelgava,, Latvia	100	5 169 908	5 169 908	5 169 908
Eco Recycling UAB, Gyneju g. 14, Vilnius, Lithuania*	55	9 000 000	8 250 000	8 250 000
TOTAL:		31 122 490	49 193 643	51 393 643

2. Loans to related companies

EUR	31.03.2025 (Unaudited)	31.12.2024 (Audited)
Loans issued with a maturity of more than one year*	4 000 000	4 000 000
Loans issued with a maturity of one year**	3 549 304	5 368 304
TOTAL:	7 549 303	9 368 304

* Loans are repayable on 31 January 2026. The currency of the loans is EUR. The loans are with fixed interest rate and not secured.

**Loans are repayable on 31 December 2025. The currency of the loans is EUR. The loans are with fixed interest rate and not secured.

3. Long-term debt securities - bonds

EUR	31.03.2025 (Unaudited)	31.12.2024 (Audited)
Long-term debt securities – bonds	18 000 000	18 000 000
Costs for attracting bonds	(121 583)	(137 423)
TOTAL:	17 878 417	17 862 577

Eco Baltia AS issued bonds in the amount of EUR 8 million on 17 February 2023. The bonds mature on 17 February 2026, with an option for the issuer to redeem them after two years. Eco Baltia AS issued bonds in the amount of EUR 10 million on 2 November 2023. The bonds mature on 2 November 2026, with an option for the issuer to redeem them after two years. The accrued interest on the issued bonds as of 31 March 2025 amounts to EUR 450 722 and is included under 'Accrued liabilities'.

Notes

4. Financial indicators

There are restrictions in the "Terms and Conditions" for the Unsecured Fixed Rate bonds issued (ISIN LV0000860120 and ISIN LV0000860138).

The Issuer undertakes to comply with the following financial covenants from the issue Date and for as long as any Notes are outstanding:

Equity Ratio - the Issuer ensures that Equity Ratio of the Issuer at all times is 30 (thirty) per cent or greater. Equity Ratio is tested each quarter.

Net Debt to Adjusted EBITDA Ratio - the Issuer ensures that Net Debt to Adjusted EBITDA Ratio at all times is 4 (four) or lower.

Financial indicator	Result as at 31.03.2025
Equity Ratio	37,24%
Net Debt to Adjusted EBITDA Ratio	2,79

Financial indicators calculated based on consolidated AS Eco Baltia financial results.



eco baltia

FIND VALUE IN EACH AND EVERY THING



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SIMANOVIČS**
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