



JOINT STOCK COMPANY ECO BALTIA

# **UNAUDITED INTERIM REPORT FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 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 or recycling facility with metal structures. A green curved line is positioned to the left of the text.

# **GENERAL INFORMATION**

# GENERAL INFORMATION



<b>Name of the Company</b>	Eco Baltia
<b>Legal status of the Company</b>	Joint stock company
<b>Registration number, place and date of the Company</b>	40103435432 Riga, 08 July 2011
<b>Registered office of Company</b>	240-3 Latgales Street, Riga, LV-1063, Latvia
<b>Shareholders of the Company</b>	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, Balta street 5, Bukulti, Garkalnes novads, LV-1024 (15.93%) PENVI INVESTMENT LTD, Spyrou Kyprianou, 82, Euro House, 1 st floor, 4043, Limassol, Kipra (0.75%)
<b>Management Board Members of the Company</b>	Māris Simanovičs – Chairman of the Management Board Santa Spūle – Management Board Member Sigita Namatēva – Management Board Member Saulius Budrevičius - Management Board Member
<b>Supervisory Board Members of the Company</b>	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
<b>Subsidiaries</b>	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%)
<b>Reporting period</b>	1 January 2025 – 30 June 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 AS 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 half of the year 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 SIA and ITERUM AS were awarded platinum status, while Nordic Plast SIA and JUMIS SIA, in Sigulda, 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 half of 2025 with a loss of EUR 260 295 (the first half of 2024: profit of EUR 81 906). The result for the first half of 2025 has worsened if comparing to last year mainly due to in prior year the Company received dividends from its subsidiary. The Parent Company's turnover for the first half of 2025 is EUR 782 843, a decrease of 27% compared to EUR 1 068 747 in the first six months of 2024, due to the review of management services provided in relation to the transfer pricing policy developed within the Group.

## Future 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 digitalisation 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**

This year, the Group published its first Annual Sustainability Report in line with the EU's Corporate Sustainability Reporting Directive (CSRD) requirements, confirming its strong commitment to implementing ESG principles. Key sustainability achievements include expanding the use of low-emission vehicles to handle 63% of collected waste in Latvia, increasing the share of renewable energy to 15% of total consumption, promoting household and textile waste sorting, and investing in advanced waste-sorting and recycling facilities, including one of the largest PET recycling plants in Northern Europe. The report also highlights Eco Baltia's non-financial achievements, such as strengthening occupational safety, improving employee well-being, introducing a producer responsibility system for textile products, and promoting recyclability initiatives in partnership with Nordic Plast SIA.

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 30 June 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- 30.06.2025 (Unaudited)	01.01.2024- 30.06.2024 (Unaudited)
Net turnover	782 843	1 068 747
Production cost of goods sold	(131 121)	(817 983)
<b>Gross profit</b>	<b>651 722</b>	<b>250 764</b>
Selling and distribution expenses	(18 592)	(27 282)
Administrative expenses	(490 720)	(769 961)
Other operating income	58 356	39 342
Other operating expenses	(17 107)	(35 048)
Income from participation	-	1 000 000
• <i>in the capital of related companies</i>	-	1 000 000
Revenue from other securities and loans which formed long-term financial investments	241 333	417 700
• <i>from related companies</i>	241 333	417 700
Other revenue from interest and similar revenue	144 337	40 021
• <i>from related companies</i>	144 337	40 021
Interest payments and similar costs	(829 624)	(833 630)
• <i>from related companies</i>	(17 545)	(21 570)
• <i>other persons</i>	(812 079)	(812 060)
<b>PROFIT OR LOSS FOR THE REPORTING PERIOD</b>	<b>(260 295)</b>	<b>81 906</b>

# STATEMENT OF FINANCIAL POSITION



EUR	Notes	30.06.2025 (Unaudited)	31.12.2024 (Audited)
<b>ASSETS</b>			
Non-current investments			
Intangible investments			
Licences, trade marks and other intangible investments		497 468	1 047 711
<b>Total intangible investments</b>		<b>497 468</b>	<b>1 047 711</b>
Property, plant and equipment			
Other property, plant and equipment, and inventories		6 563	35 956
<b>Total property, plant and equipment</b>		<b>6 563</b>	<b>35 956</b>
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
<b>Total non-current financial assets</b>		<b>55 393 643</b>	<b>53 195 198</b>
<b>Total non-current investments</b>		<b>55 897 674</b>	<b>54 278 865</b>
Current assets			
Receivables			
Trade receivables		-	12 147
Trade receivables to related companies		1 399 592	1 489 006
Loans to related companies	2	3 743 204	5 368 304
Other receivables		13 117	40 520
Prepaid expenses		40 848	27 309
<b>Total receivables</b>		<b>5 196 761</b>	<b>6 937 286</b>
Cash		66 604	380 812
<b>Total current assets</b>		<b>5 263 365</b>	<b>7 318 098</b>
<b>TOTAL ASSETS</b>		<b>61 161 039</b>	<b>61 596 963</b>



# STATEMENT OF FINANCIAL POSITION



EUR	Notes	30.06.2025 (Unaudited)	31.12.2024 (Audited)
<b>LIABILITIES</b>			
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		10 326 432	11 067 882
Profit or loss for the reporting period		(260 295)	(741 455)
<b>Total equity</b>		<b>40 724 531</b>	<b>40 984 821</b>
Accruals			
Other accruals		7 855	58 424
<b>Total accruals</b>		<b>7 855</b>	<b>58 424</b>
Liabilities			
Non-current liabilities			
Long-term debt securities - bonds	3	9 925 369	17 862 577
Obligations under finance leases		-	18 166
<b>Total non-current liabilities</b>		<b>9 925 369</b>	<b>17 880 743</b>
Current liabilities			
Short-term debt securities - bonds	3	7 977 436	-
Obligations under finance leases		-	4 711
Accounts payable to suppliers		230 392	258 614
Payables to related companies		649 386	520 653
Taxes payable		29 273	66 357
Loans from related companies		1 067 886	1 050 341
Other payables		21 144	21 006
Accrued liabilities		527 767	751 293
<b>Total current liabilities</b>		<b>10 503 284</b>	<b>2 672 975</b>
<b>Total liabilities</b>		<b>20 428 653</b>	<b>20 553 718</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>61 161 039</b>	<b>61 596 963</b>

# STATEMENT OF CASH FLOWS

	EUR	01.01.2025- 30.06.2025 (Unaudited)	01.01.2024- 30.06.2024 (Unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit or loss before tax		(260 295)	85 390
Adjustments for:			
Corrections of decrease in value of fixed assets		(19 797)	20 965
Corrections of decrease in value of intangible assets		58 539	11 534
Accruals (except of accruals for doubtful debts)		(50 569)	(7 887)
Profit or loss from fluctuations of foreign currency rates		1 109	6 443
Revenue from participation in fixed capital of related, associated or other companies		-	(1 000 000)
Revenue from other securities and loans which formed long-term financial investments; from related companies		(241 333)	(417 700)
Interest income or similar income		(144 337)	(40 021)
Interest payments and similar costs		829 624	833 630
<b>Profit or loss before adjustments for the effect of changes in current assets and current liabilities</b>		<b>172 941</b>	<b>(507 646)</b>
Changes in trade receivables		(56 507)	(296 632)
Changes in trade payables		(271 884)	468 438
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		<b>(155 450)</b>	<b>(335 840)</b>
Interest paid		(699 291)	(729 304)
Corporate income tax paid		(2 114)	(3 006)
<b>Net cash flows from operating activities</b>		<b>(856 855)</b>	<b>(1 068 150)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of fixed assets and intangible assets		(4 697)	(121 441)
Revenue from sale of fixed assets and intangible investments		550 221	-
Issued loans		-	(1 050 000)
Loan repayments		-	88 466
Received interest		20 000	233 550
<b>Net cash flows used in the investing activities</b>		<b>565 524</b>	<b>(849 425)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payments of obligations under finance leases		(22 877)	(10 993)
<b>Net cash flows used in the financing activities</b>		<b>(22 877)</b>	<b>(10 993)</b>
Net cash flow for the reporting period		(314 208)	(1 928 568)
Cash and cash equivalents at the beginning of the period		380 812	2 641 004
<b>Cash and cash equivalents on the reporting date</b>		<b>66 604</b>	<b>712 436</b>

# STATEMENT OF CHANGES IN EQUITY

EUR					
	Share capital	Share premium	Reserves for shares	Retained earnings	Total equity
<b>Balance as at 31 December 2023 (audited)</b>	<b>35 005</b>	<b>20 623 389</b>	<b>-</b>	<b>21 067 882</b>	<b>41 726 276</b>
Establishment of a reserve using retained earnings	-	-	10 000 000	(10 000 000)	-
Profit for the reporting period	-	-	-	81 906	81 906
<b>Balance as at 30 June 2024 (unaudited)</b>	<b>35 005</b>	<b>20 623 389</b>	<b>10 000 000</b>	<b>11 149 788</b>	<b>41 808 182</b>
Loss for the reporting period	-	-	-	(823 361)	(823 361)
<b>Balance as at 31 December 2024 (audited)</b>	<b>35 005</b>	<b>20 623 389</b>	<b>10 000 000</b>	<b>10 326 432</b>	<b>40 984 821</b>
Loss for the reporting period	-	-	-	(260 295)	(260 295)
<b>Balance as at 30 June 2025 (unaudited)</b>	<b>35 005</b>	<b>20 623 389</b>	<b>10 000 000</b>	<b>10 066 137</b>	<b>40 724 531</b>



# Notes

## 1. Investments in related companies

EUR				
Company	%	Initial investment	31.12.2024. (Audited)	30.06.2025. (Unaudited)
AS „ITERUM”, Aviācijas iela 18, Jelgava, Latvia	94.9	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
<b>TOTAL:</b>		<b>31 122 490</b>	<b>49 193 643</b>	<b>51 393 643</b>

## 2. Loans to related companies

EUR	30.06.2025 (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**	3 743 204	5 368 304
<b>TOTAL:</b>	<b>7 743 204</b>	<b>9 368 304</b>

\* 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. Debt securities - bonds

EUR	30.06.2025 (Unaudited)	31.12.2024 (Audited)
Long-term debt securities – bonds	10 000 000	18 000 000
Short-term debt securities - bonds	8 000 000	-
Costs for attracting bonds	(97 195)	(137 423)
<b>TOTAL:</b>	<b>17 902 805</b>	<b>17 862 577</b>

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 30 June 2025 amounts to EUR 385 722 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 30.06.2025
Equity Ratio	38,19%
Net Debt to Adjusted EBITDA Ratio	3,01

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

# eco baltia

FIND VALUE IN EACH AND EVERY THING



**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**  
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