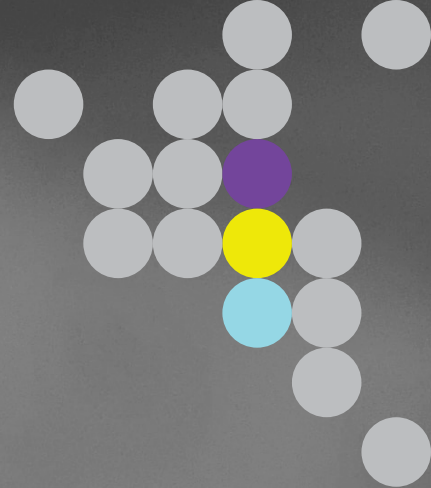


○ CLEANR
GRUPA



Unaudited results for the six months

ENDED 30 JUNE 2023

Content

Page 3 About AS CleanR Grupa

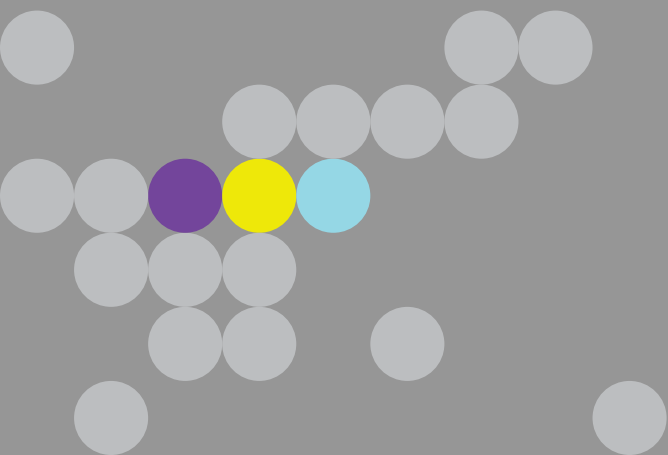
Page 4 Operational and strategic highlights
for six months

Page 5 Financial highlights

Page 6 Future outlook 2023

Page 7 Consolidated financial statements for
the six months of 2023

Page 12 Investor contacts





About CleanR Grupa

CleanR Grupa (hereinafter also – the Group) is a group of leading companies in the environmental services sector in Latvia. Group's companies provide daily services of waste management, premises cleaning, roads and urban maintenance, as well as the realm of property management to over 50 thousand customers all over the country in total servicing more than half a million of population of Latvia. With the use of innovative, digital, tailor-made solutions, we provide top-quality products and services, superior customer service while also making sure we take sincere care of the environment.



Market leader no.1 in waste management, commercial cleaning, and urban environment management

- 100% local capital company
- >50 000 customers
- >500 000 serviced people in Latvia
- >1500 employees
- Full waste management cycle – **from collection to sorting to recycling**
- **Highest level of digitalization** in the environmental services industry in Latvia
- **Leader in sustainable and climate-neutral solutions**

Six months at a glance:

- CleanR Grupa expands its management team – on June 2023 **Juta Jākobsonsone assigned as Group's finance and IT director**
- **Vizii Urban**, Group's subsidiary, **has acquired the street cleaning company SIA KOM-AUTO** operating in the town of Cēsis, thus expanding urban environment business field in Vidzeme region
- **Baiba Rozenlauka has appointed as a Member of the Management Board at CleanR Verso**, the Group's subsidiary
- **First underground waste containers installed near capital's apartment blocks** – investment made by Group's company CleanR



CleanR Grupa – Best employer



CleanR – Family-friendly company



CleanR Grupa – Member of Mission Zero, a safe workplace initiative

First six months:

regional expansion and corporate development

The first half of 2023 at CleanR G Grupa was marked by several business expansion deals which have allowed the Group to strengthen its position in certain business directions in the territory of Latvia. In April this year, the Group's subsidiary company Vizii Urban acquired KOM- Auto, a Cēsis-based street cleaning firm, which now represents Vizii Urban in the Vidzeme region. The deal was facilitated by the diversification of the Group's source of funds, listing its bonds on the Nasdaq First North market at the end of last year.

This deal was followed by several successful municipal procurements, as a result of which Vizii Urban provides urban maintenance services in the towns of Sigulda and Bauska. The current trend of an increasing number of municipalities outsourcing urban maintenance services makes a positive impact on the whole industry. In the long run, this will foster the development of the urban maintenance businesses in Latvia, with more companies taking part in public tenders and making high-quality bids.

In the waste management sector, the focus was placed on increasing the amount of separately collected waste by investing in educational activities of the general public, setting up the necessary infrastructure, and mounting special campaigns. In June this year, the Group's subsidiary company CleanR launched a campaign named Tīr māja (Clean House) to collect textiles and electronics. Every week, the company set up a mobile waste collection point in different parts of Riga to collect old textiles and electrical appliances from the city's residents free of charge.

To prepare itself for the introduction of the extended producer responsibility system for textile waste, CleanR has already set up more than 200 textile containers all over Latvia and keeps expanding the container network. The new system, through which the Group's subsidiary Zaļā josta will be able to offer Natural Resource Tax relief to clothes and textile retailers, is expected to come into force in 2025.

By investing in infrastructural improvements, in May this year, the Group's subsidiary company CleanR installed the first underground garbage bins near Riga's apartment blocks free of charge. In the next 12 years, Latvia must reduce landfilled waste at least five times. This may only be achieved by generating less waste, sorting, and recycling. Riga is setting a good example by promoting waste sorting—sorting of glass, paper, plastic,

and metal packaging is already mandatory, and currently the city is also in the process of introducing mandatory sorting of biological waste. These new requirements call for modern infrastructure—waste containers that do not occupy all of the courtyard or green space. Their function is to make waste sorting user-friendly and motivating. By the end of the year, CleanR is planning to equip 34 sites in Riga with underground garbage bins.

Furthermore, until the end of this year, Vizii, a premises cleaning company owned by the Group, will take care of seven in-patient hospital premises belonging to Riga East Clinical University Hospital. Vizii also has introduced a digital communication and customer service tool—the first mobile quality control app through which the hospital staff may assess the quality of the cleaning works provided by the company.

The first six months of this year have also been dynamic with respect to the Group's corporate governance. In the coming years, the Group will seek to improve its business efficiency and digitize services, therefore, to facilitate balanced growth of all of the Group's companies, the Group is also working on developing its management team. In June this year, Juta Jākobsone, a seasoned manager with extensive experience in handling the finances of large Latvian food manufacturing and processing companies as well as of grocery retail chains, was appointed as the Chief Financial and IT Officer for the Group. Jākobsone will oversee the financial and IT development areas.

Also, Baiba Rozenlauka was appointed as a Member of the Board at CleanR Verso, the Group's subsidiary company, overseeing the financial, IT, and administrative support areas. CleanR Verso boasts more than 20 years of experience in the field of industrial waste management, until recently operating as CleanR's, one of Latvia's largest waste management companies, lines of business. Since 2023, this function has been run by an independent company under the CleanR Verso brand. CleanR Verso's business ambitions include development of new services and digitization of the existing ones—soon inhabitants of Latvia will be able to request removal of domestic building refuse and bulky waste digitally via the Group's app MANAI VIDEI. Also, the company's development plans include several other ambitious infrastructural investment projects, therefore Baiba Rozenlauka's experience will make a significant contribution towards the achievement of CleanR Verso's goals.



JURIS GULBIS, GUNTARS LEVICS, INTA LIEPA and AGITA BALTBĀRDE
Management board of CleanR Grupa

Financial performance:

sustained growth



The CleanR Grupa results of the first six months of 2023 indicate a continuation of the positive trends observed in the first quarter of the year. The Group's revenues in the first half of 2023 have increased by EUR 12.7 million or 39% compared to the same period last year, reaching EUR 45.5 million. EBITDA saw even more impressive growth—increasing by EUR 6 million or 120% to a total of EUR 10.9 million. The Group's gross profit margin in the first half of 2023 grew by 5.4 percentage points (6M 2023: 19.9%, 6M 2022: 14.5%). The largest share of the revenues was derived from the waste management business, which

was significantly impacted by the increase in the state-imposed landfilled waste tariff and the following tariff indexation. Thanks to the investments made in modern and automated waste sorting technologies in 2022 and 2023 as well as decreased energy costs in 2023, the financial indicator have improved significantly. By continuing investments in the equipment of its plastic recycling plant in the first half of 2023, the Group has laid the groundwork for sustained financial growth in the future.

<p>Revenue growth by</p> <p>39%</p>	<p>Gross profit margin</p> <p>20%</p>	<p>EBITDA EUR</p> <p>10,9 million</p>	<p>Strong equity position</p> <p>54%</p>
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JUTA JĀKOBSONE
Group's Chief Financial and IT Officer

2023

A year of dynamic growth amid tough economic climate

Digitization of customer service

Development and deployment of MANAI VIDEI, a single multi-channel customer service platform, across the whole Group to enhance the customer satisfaction level.

Workplace safety & employee well-being

Focus on improvement of the workplace safety and achieve the sustainability goal of zero injuries in the workplace.

Providing a growth-enhancing work environment where everyone feels empowered and can realize their full potential.

Efficiency & productivity

With respect to the waste management business – pursuit of the principles of the circular economy and Green Deal aims in Latvia through the improvement of the recyclable waste collection infrastructure and development of the most cutting-edge industrial material recovery facility in Eastern Europe.

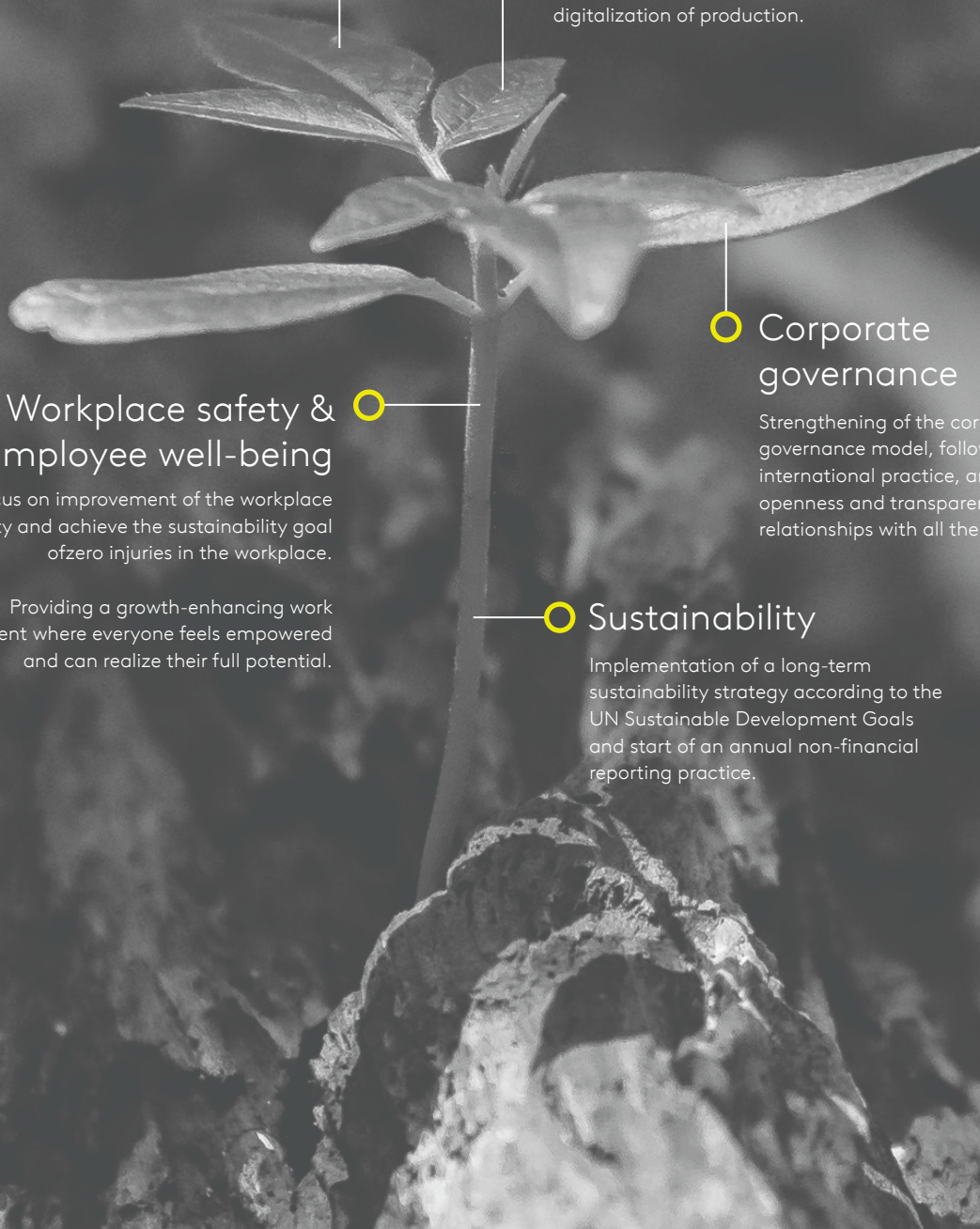
With respect to the environmental services business – diversification of services through solutions facilitating climate neutrality and digitalization of production.

Corporate governance

Strengthening of the corporate governance model, following the best international practice, and ensuring openness and transparency in relationships with all the stakeholders.

Sustainability

Implementation of a long-term sustainability strategy according to the UN Sustainable Development Goals and start of an annual non-financial reporting practice.



Income Statement

for the six months ended 30 June 2023

EUR	01.01.23.–30.06.23.	01.01.22.–30.06.22.
Revenue	45 535 005	32 796 464
Cost of sales, cost of goods sold, cost of services rendered	(36 470 336)	(28 037 043)
Gross profit	9 064 669	4 759 421
Selling expenses	(723 996)	(347 857)
Administrative expenses	(3 968 788)	(2 371 405)
Other operating income	1 543 961	812 509
Other operating expenses	(728 030)	(403 435)
Revenue from participation	387 287	36 816
EBIT	5 575 103	2 486 049
Interest income and similar income	86 020	1 346
Interest expenses and similar expenses	(780 824)	(87 924)
Corporate income tax	(115 997)	(115 864)
Net profit for the period	4 764 302	2 283 607
Share of profit of minority stockholders	697 409	314 046
EBITDA	10 944 462	4 967 816



Statement of Financial Position

for the six months ended 30 June 2023

Assets, EUR	30.06.2023.	30.06.2022.
Non-current assets		
Intangible assets	9 499 499	7 205 468
Tangible assets	27 668 122	23 384 396
Long-term financial investments	6 626 141	11 717 998
Total non-current assets	43 793 762	42 307 862
Current assets		
Inventories	1 891 125	973 414
Receivables and other current assets	15 950 385	11 388 802
Cash and bank	16 310 195	4 764 398
Total current assets	34 151 705	17 126 614
Total assets	77 945 467	59 434 476



Statement of Financial Position

for the six months ended 30 June 2023

Equity and Liabilities, EUR	30.06.2023.	30.06.2022.
Equity		
Share capital	346 000	346 000
Revaluation reserve for long-term investments	5 870	-
Retained earnings	37 724 094	36 742 056
Non-controlling Interests	4 374 278	1 870 574
Total equity	42 450 242	38 958 630
Total provisions	249 094	196 277
Non-current liabilities		
Loans and borrowings	17 402 113	3 769 681
Other non-current liabilities	6 957 547	6 548 165
Total non-current liabilities	24 359 660	10 317 846
Current liabilities		
Loans and borrowings	1 046 145	1 699 232
Trade payables	5 403 105	4 680 487
Taxes and social insurance payments	1 677 533	949 243
Unpaid dividends	207 600	50 000
Other liabilities	2 552 088	2 582 761
Total current liabilities	10 886 471	9 961 723
Total equity and liabilities	77 945 467	59 434 476



Statement of changes in equity

for the six months ended 30 June 2023

EUR	Share capital	Revaluation reserve for long-term investments	Retained earnings/ (accumulated loss)	Current year's profit/ (loss)	Non-controlling interests	Total
As at 31 December 2021	346 000	-	29 797 086	5 425 409	1 758 436	37 326 931
Transfer of prior year's profit/ (loss)	-	-	5 425 409	(5 425 409)	-	-
Dividends	-	-	(4 664 000)	-	(201 908)	(4 865 908)
Acquisition of subsidiary company	-	-	-	-	1 774 835	1 774 835
Profit/ (loss) for the year	-	-	-	4 473 036	387 238	4 860 274
As at 31 December 2022	346 000	-	30 558 495	4 473 036	3 718 601	39 096 132
Transfer of prior year's profit/ (loss)	-	-	4 473 036	(4 473 036)	-	-
Dividends	-	-	(1 220 000)	-	(194 062)	(1 414 062)
Acquisition of subsidiary company	-	-	(154 330)	-	152 330	(2 000)
Revaluation reserve	-	5 870	-	-	-	5 870
Profit/ (loss) for the year	-	-	-	4 066 893	697 409	4 764 302
As at 30 June 2023	346 000	5 870	33 657 201	4 066 893	4 374 278	42 450 242



Transactions with related parties

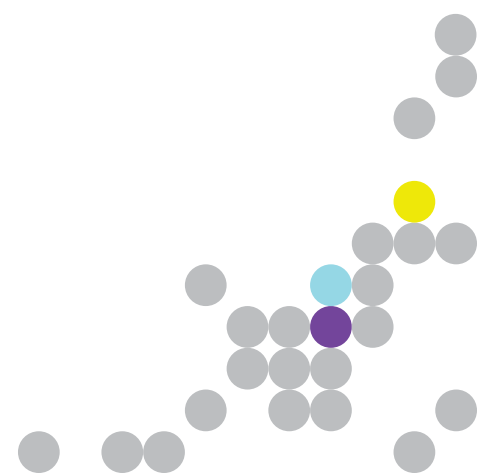
for the six months ended 30 June 2023

30.06.2023, EUR	Intra-group entities ¹	Companies controlled by beneficial owner ²	Other related parties ³
Receivables from related parties:			
Loans issued	2 789 159	-	-
Trade and other receivables	12 553 611	2 891	33 952
Borrowings and payables:			
Loans received	2 789 159	-	50 000
Trade and other payables	12 553 611	-	6 235
30.06.2023, EUR	Intra-group entities ¹	Companies controlled by beneficial owner ²	Other related parties ³
Income and expenses:			
Sales to related parties	8 818 430	2 162	171 998
Purchases from related parties	(8 818 430)	(30 000)	(433 825)
Interest income	72 116	-	-
Interest expense	(72 116)	-	-

¹ Intra-group entities: Subsidiaries of AS CleanR Grupa

² Companies controlled by the beneficial owner: cooperation partners

³ Other related parties are entities which are under control or joint control of the shareholders of the Group, but not part of the Group



CLEANR GRUPA

Dedicated to people and planet



Investor contacts



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