

Results Y2023

Investor Call
8th of May 2024

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Conflict of interest

By presenting this material the Arranger has a conflict-of-interest situation as the Arranger can receive a fee for the placement of the Bonds. The Arranger's Policy for Prevention of Conflicts of Interest is available on the Arranger's website: <https://www.signetbank.com/mifid/>. The Issuer or its affiliates may, subject to applicable laws, purchase the Bonds. It should be noted that under specific circumstances their interests may conflict with those of other Bondholders.

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Target market

The target market assessment by the product manufacturer Signet Bank AS has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties, professional clients, and retail clients, each as defined in Directive 2014/65/EU (MIFID II); (ii) all channels for distribution of the Bonds to eligible counterparties, professional clients and retail clients are appropriate.

Any person subsequently offering, selling or recommending the Bonds (a Distributor) should take into consideration the manufacturer's target market assessment, however, a Distributor subject to MIFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

With you today



Juris Gulbis
Chairman of the
Management Board

International experience in company transformation and development of innovative business models.

Has been a long-serving CEO of Tet, a technology and entertainment company, as well as Head of subsidiary companies of road construction Group A.C.B. Before that, has worked for different food processing and financial companies.

With CleanR Grupa since
March 2023



Juta Jakobsone
Chief Financial
Officer

Seasoned manager with extensive experience in handling the finances of large companies.

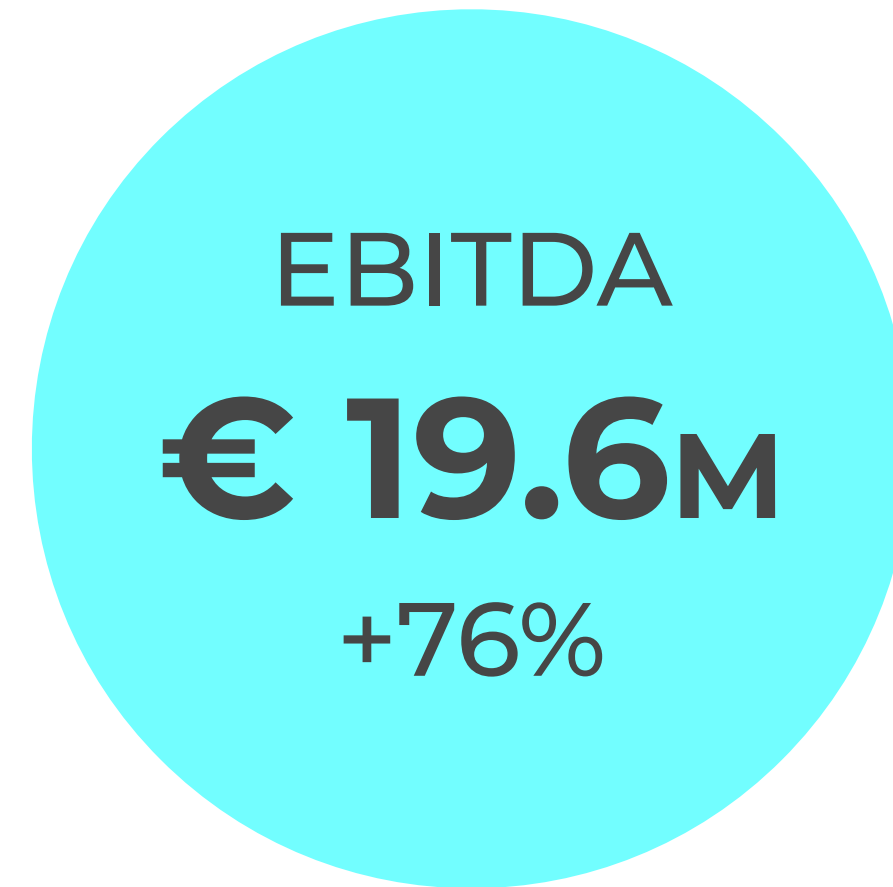
19 years of experience in Latvian food manufacturing and processing companies, as well as of grocery retail chains—Financial Director of as SIA Orkla Latvija and SIA Putnu Fabrika Ķekava, as well as SIA Linde pārtika (ELVI retail chain).

With CleanR Grupa since
June 2023

Overview of Our Group



Financial Growth



The group is entering new markets

Waste management services expanded in Ropaži, Ķekava and Latgale region. Urban servicing started in Cēsis, Bauska and Sigulda.



Launching a plastic recycling plant

The most modern plastic recycling plant in Ķekava with the capacity to recycle plastics that could not be recycled in Latvia until now.



Focus on ESG and circular economy

First ESG report launched in environmental services industry in Latvia with strong commitment to long-term positive change.



Present in bond market to finance growth efforts

Presence in bond market to finance growth via M&A and investments in new business lines. Industry consolidator with proven track record—more than 6 M&A transactions in past 10 years.

€15M

Bonds at Nasdaq Baltics First North

100%

Latvian capital company

1.6K+

Employees in the group

50K+

Customers in Latvia

500K+

Serviced inhabitants in Latvia

4 ISO

Certificates received

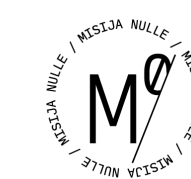
Certificates: Quality 9001:2015, Environment 14001:2015, Occupational Safety 45001:2018, Energy Management 50001:2018.



Pioneers in ESG, digitisation and efficiency

Looking into the future. Making shift to clean-tech company. Proud to have the highest digitalisation level in the industry. Making the Group increasingly lean and efficient.

Member of safe workplace initiative Mission Zero



Employer open to diversity and inclusion



Silver award "Safest company car fleet"



Company that provides family-friendly workspace



Platinum Award at the Sustainability Index



Municipal waste management

#1 in market

cleanr

The largest and most experienced operator since 1944.

Providing full waste management cycle from collecting to sorting and recycling waste, thus driving circular economy principles in Latvia.

Plastic recycling plant launched in 2023.

Commercial and industrial waste management

cleanr
verso

The fastest growing business segment in Group`s portfolio.

One of the largest service providers, which offers construction and bulkywaste collection.

In 2020 established construction waste sorting and processing center "Nomales".

Waste sorting

#1 in market

**VIDES
RESURSU
CENTRS**

The largest waste sorting facility in the Baltics

Serves all waste management companies in Riga

Waste sorting facility is located in Getliņi, nearby Riga.

Indoor cleaning

#1 in market

VIZĪ

In September 2021 indoor cleaning subsidiary "VIZII" launched.

One of the largest service providers offering innovative cleaning solutions (robotic tech, nanotech, spraywash equipment, etc.) in offices, shopping centers and production areas. More than 500 facilities served. Major customers: Rimi, LMT, Maxima, Riga East Clinical University Hospital, etc.

Urban and road servicing

vizī
urban

We provide daily sanitary territory maintenance, including cleaning of pedestrian areas, parks, grass cutting as well as specialized service for public roads maintenance in winter.

Major customers: Jurmala, Rezekne, Tukums, Liepaja, Sigulda, Bauska, Cēsis, Riga and Riga region municipalities

Producer responsibility system

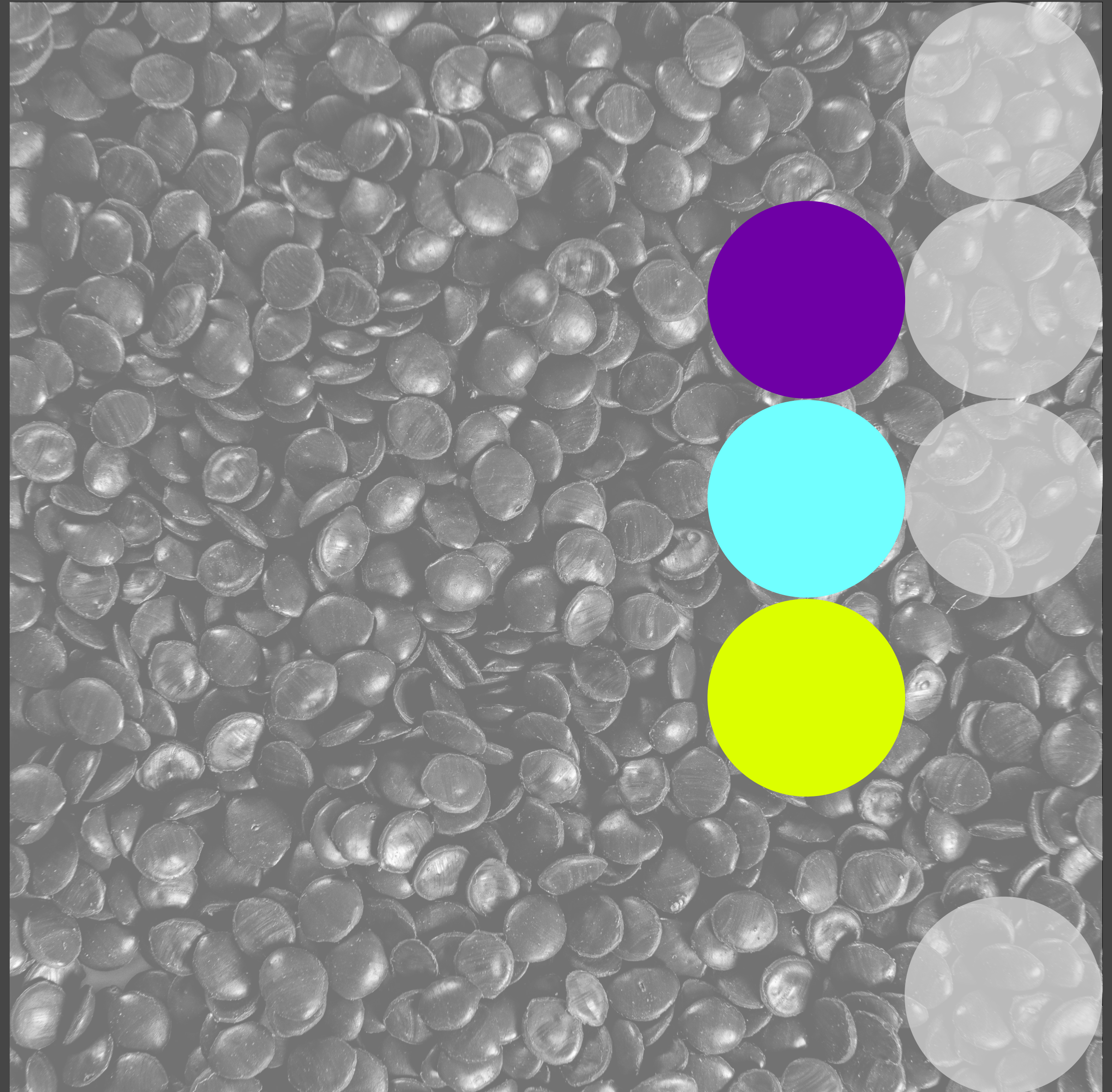


ZAĻĀ JOSTA

By acquiring SIA "Zaļā josta" business is widened for managing used packaging and servicing companies with management of Natural Resources Tax.

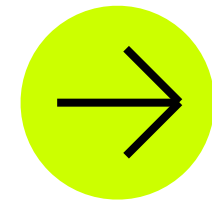
Responsibility system enables producers for exemption from packaging tax by joining voluntarily PRS that ensures collection and recycling of used packaging.

Main Industry Trends



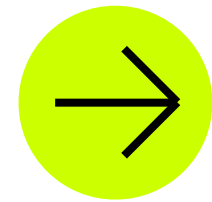
TEN CHANGES TO LOOK FORWARD TO

01



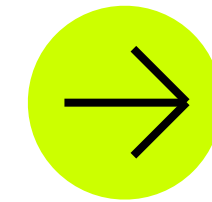
Consolidation of waste management regions and creation of **Regional Waste Management Centers** – marks industry`s regional development for the next 7 years

02



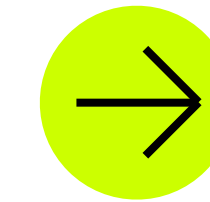
Extended producer responsibility scheme – introduces **EPR for textile** from July, 2024. Also widened EPR applied for plastic packaging.

03



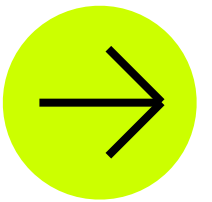
WtE versus disposal project highlights waste disposal problem (EU target 10% of waste landfilled by 2035) and non-existent waste-to-energy capacities in Latvia

04



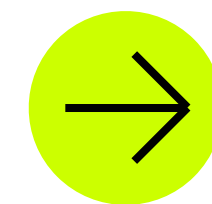
Mandatory BIO waste collection system from January, 2024—expands new business opportunities for waste collection operators

05



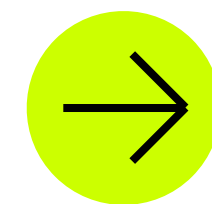
Waste management industry governance transfers to Ministry of Climate and Energy

06



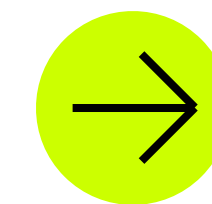
Launch of Group`s **plastic recycling plant**, followed by legislative change applying widened EPR for plastic packaging

07



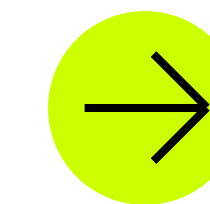
ESG impacts fleet development – Group has "**the greenest**" **fleet in industry** with majority of EVs in passenger cars and increasing number of CNG fuel in heavy duty vehicles

08



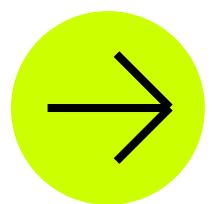
Changes in the **Riga road maintenance** business – insolvency of Ceļu pārvalde

09



Liberalization of regional markets – Bauska and other municipalities shifted from inhouse to outsource services

10



Road maintenance business faces EU **«Green Deal»** - ESG requirements elevated fleet development, 1st 100% electrical roads` vacuum cleaner introduced in Riga

CleanR Grupa Highlights 2023



Waste Management

cleanř ^{cleanř} verso

Baltics' most modern **plastic recycling plant** in Ķekava



Expanding municipal waste business in Ropaži and Latgale



123 **underground waste containers** at the Riga apartment blocks, also in Jurmala



More than 200 **textile waste containers** placed in Latvia for inhabitants



A majority stake in **Zaļā josta**, a producer responsibility system provider, acquired



Construction waste management company **RSC NOMA** acquired



New material recovery facility launched - 92 000 tons of materials recovered



Environmental Services

vizīi ^{vizīi} urban

Urban cleaning company **KOM-AUTO** in Cēsis acquired



Urban environment servicing expanded in **Riga, Bauska and Sigulda**



Servicing a Baltic sea **beach area cleaning** in the length of 30 km



Indoor cleaning services in a new – medical services industry with **Riga East Clinical University Hospital**



Introducing a digital customer service tool – **mobile quality control app**



Covenant Compliance



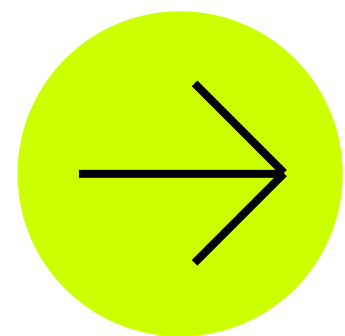
FINANCIAL COVENANT COMPLIANCE AND UNDERTAKINGS

Covenant / Undertaking	Requirement	Fact	Status
Consolidated Interest Coverage Ratio to maintain consolidated Interest Coverage Ratio of at least 3 (three) times; calculated for the Relevant Period at the end of each quarter	>3	11	✓
Equity Ratio to maintain Equity Ratio of at least 30% (thirty per cent) calculated at the end of each quarter	>30%	51%	✓
Net Debt Leverage Ratio to maintain Net Debt Leverage Ratio of maximum 3.5x (three point five times), calculated for the Relevant Period at the end of each quarter	<3.5	0.07	✓
Not to pay dividends or make other distribution of profits to its shareholders except Permitted Distribution Permitted Distribution only	Permitted Distribution only		✓
Not make substantial change to the general nature of the business of the Issuer and the Pledged Subsidiaries from that carried on at the Issue Date (including, but not limited to, the commencement of any new business not being ancillary or incidental to the original business);			✓
Not to initiate or allow initiation of the Issuer's liquidation or similar proceedings and not to reduce the share capital of the Issuer			✓
All future loans received from the Issuer's shareholders must be subordinated to the Notes			✓
To publish consolidated unaudited quarterly reports for the Group with management comments, prepared according to Accounting Principles, by the end of the second month following the end of each respective quarter. The reports should also include information if the Issuer is compliant with the financial covenants set out in Clause 12 (Financial Covenants) of these Terms of the Notes Issue			✓
To request the admission to trading of the Notes on First North within 12 (twelve) months after the Issue Date and submit Terms of the Issue and company description with Nasdaq Riga. The Notes shall be listed on First North only in case Nasdaq Riga approves the Notes for listing	Listed since 31 January 2023		✓
To publish consolidated annual reports for the Group prepared according to the Accounting Principles within 4 (four) months for each consecutive Financial Year. Starting from Financial Year 2023, the Financial Reports should be audited by Auditor (KPMG, EY, PWC, Deloitte or Grant Thornton)	Audited by Grant Thornton Baltics		✓
Not to sell, present, change, rent, license, invest, or otherwise transfer into utilization the right to use the trademarks of the Issuer and the Subsidiaries, except the Issuer or its Subsidiaries are permitted to rent the right to use the trademarks further to their Subsidiaries			✓
Issuer shall not create or permit to subsist mortgage, pledge or any other security interest (each a "Security"), other than a Permitted Security, upon the whole or any part of its present or future business, undertaking, assets or revenues to secure any Financial Indebtedness without at the same time or prior thereto securing the Notes equally and rateably therewith	Permitted Security only		✓

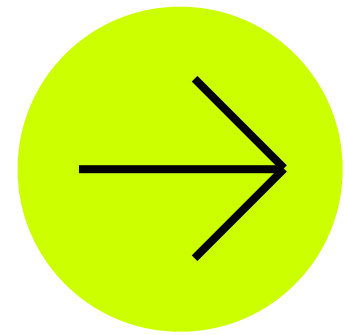
Business Outlook 2024 - 2025



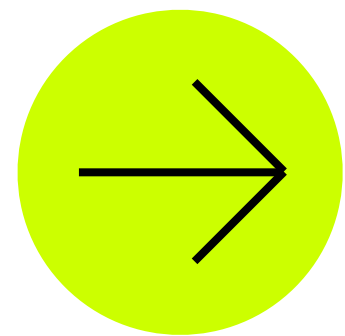
Main Focus Areas



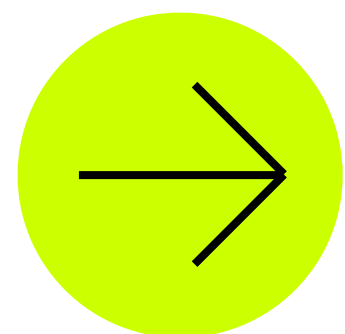
Development of recycling business



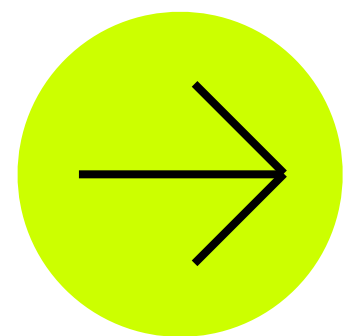
Organic growth in waste management business



Expansion to the Baltic region



Development of full waste management life cycle



Growth through M&A in other environmental services

Main External Factors

Electricity market`s uncertainty e.g. disconnecting from BREL, geopolitics may impact manufacturing

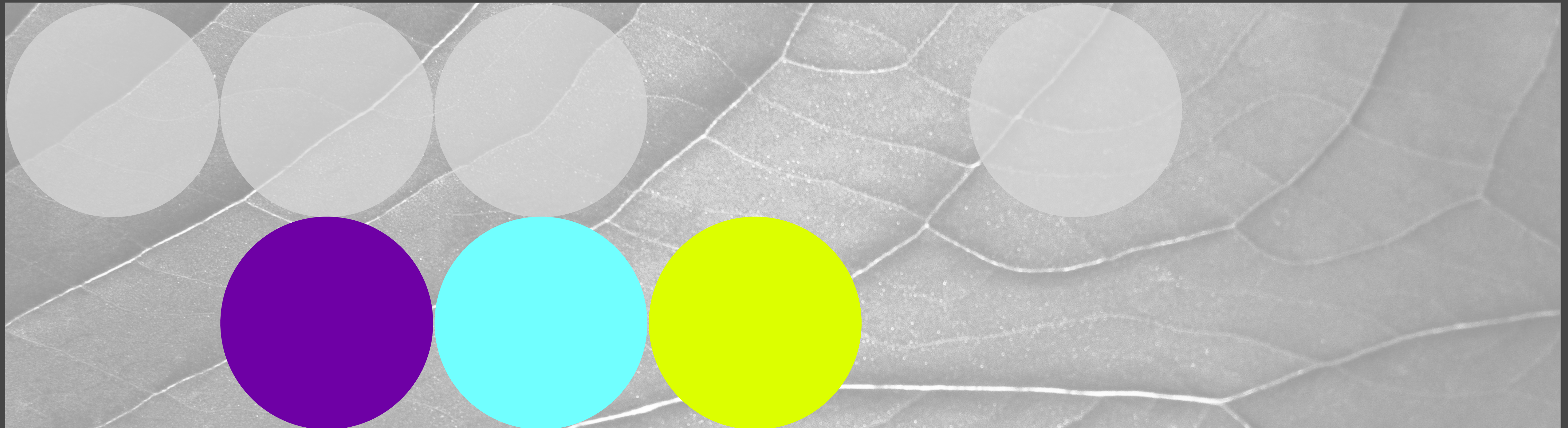
ESG pressure makes positive impact on fleet development

Stagnation in EU impacts exports for sorted waste and its products

Increase of minimum wage aggravates competition in human resource intensive business segments

Increasing waste sorting requirements create **opportunities for new business segments**

Focus on ESG



LONG-TERM ESG STRATEGY IS COMPLETED

In 2023

First sustainability report in the waste management industry



CO2 footprint calculated – approaching net zero target by having avoided emissions outnumbered over the released ones



20 new electric cars purchased, thus increasing the proportion of electric vehicles in its passenger car fleet to 42%



Climate risk assessment done



Climate governance plan put in place



Highlight 2024

Circular economy in focus – new measurement tool for local municipalities

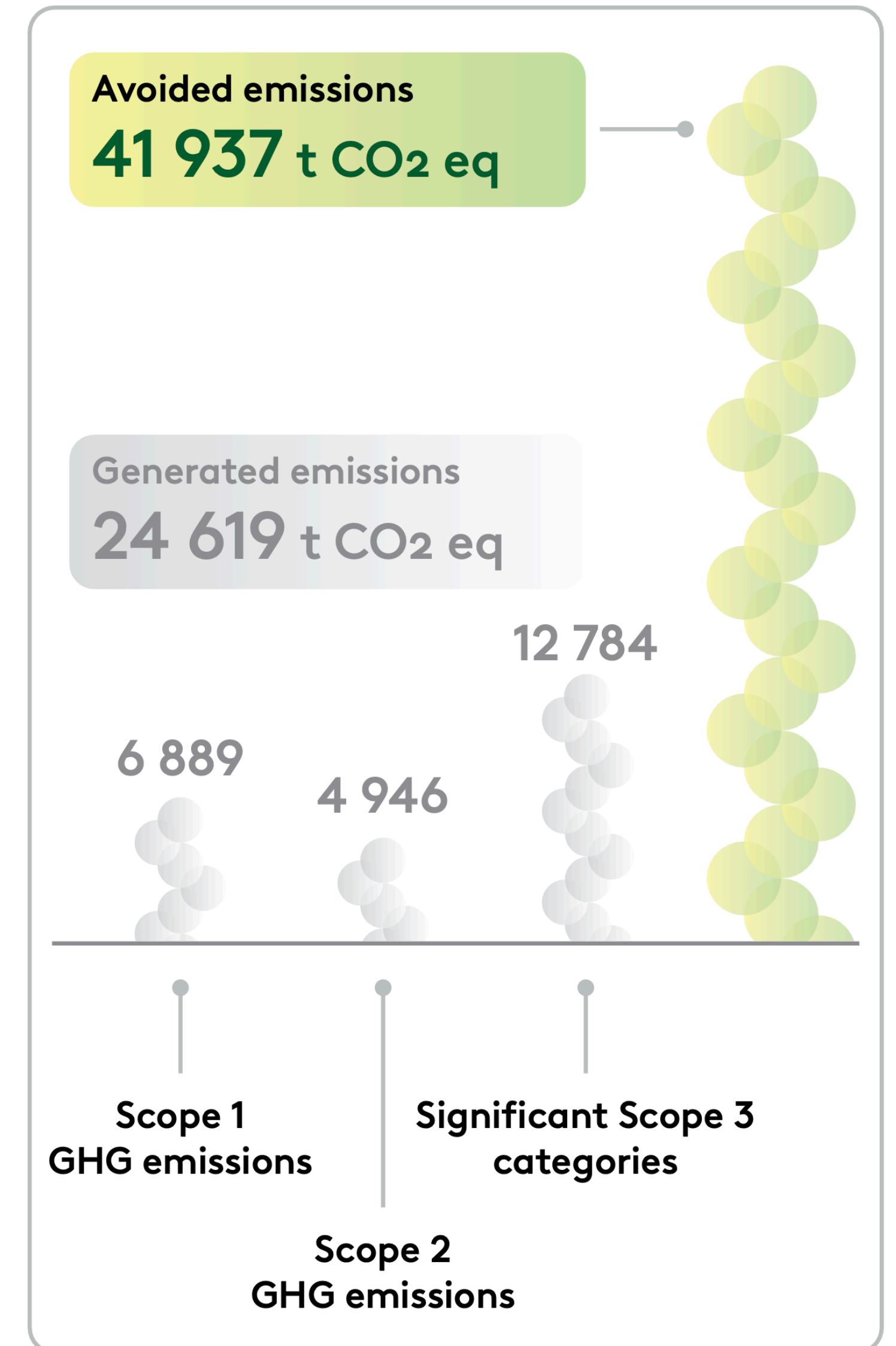


Leadership in environmental education



Already in year 2023 we avoided more emissions than we generated

Source: CleanR
Sustainability
Report 2023



In 2023

Expansion of the Group`s Council and Board



First Corporate Governance Statement released



Whistleblowing system created



Highlight 2024

Share options scheme implemented



Main corporate governance policies set in place:

Code of Conduct

Procurement Policy

Internal Audit Policy

Personnel Policy

Risk Management Policy

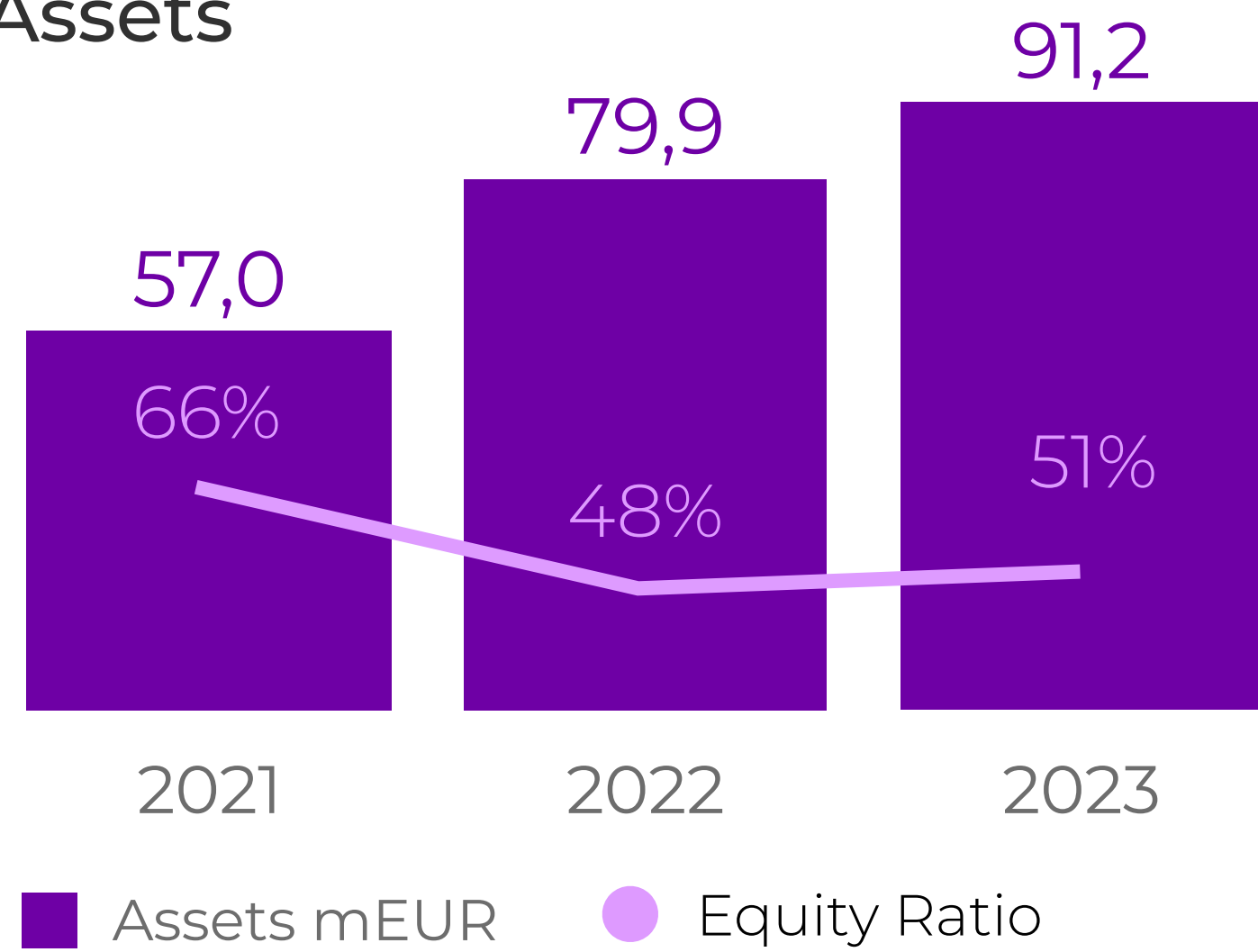
Conflict of Interest Prevention Policy

Financial Highlights 2023

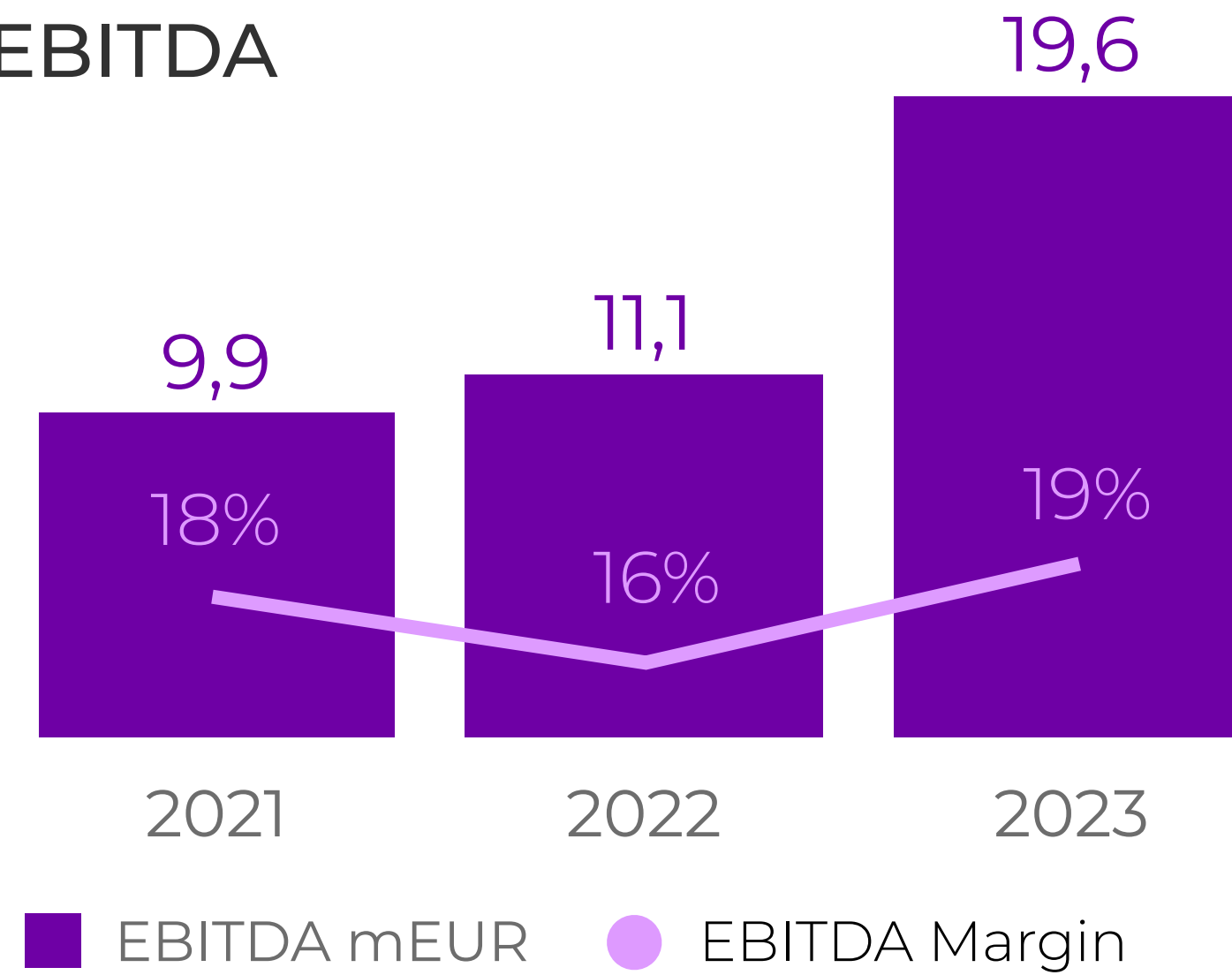


KEY FINANCIALS

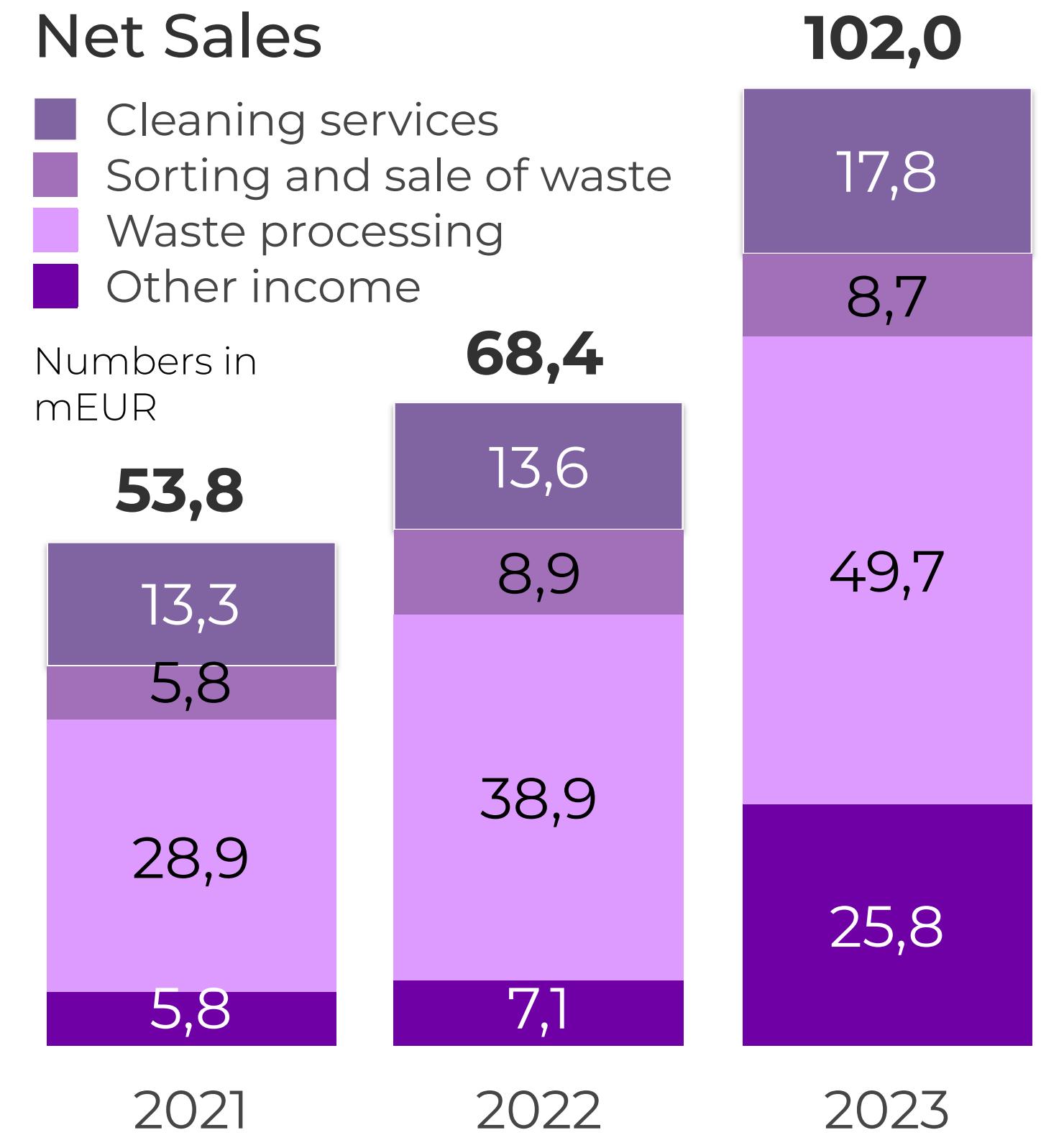
Assets



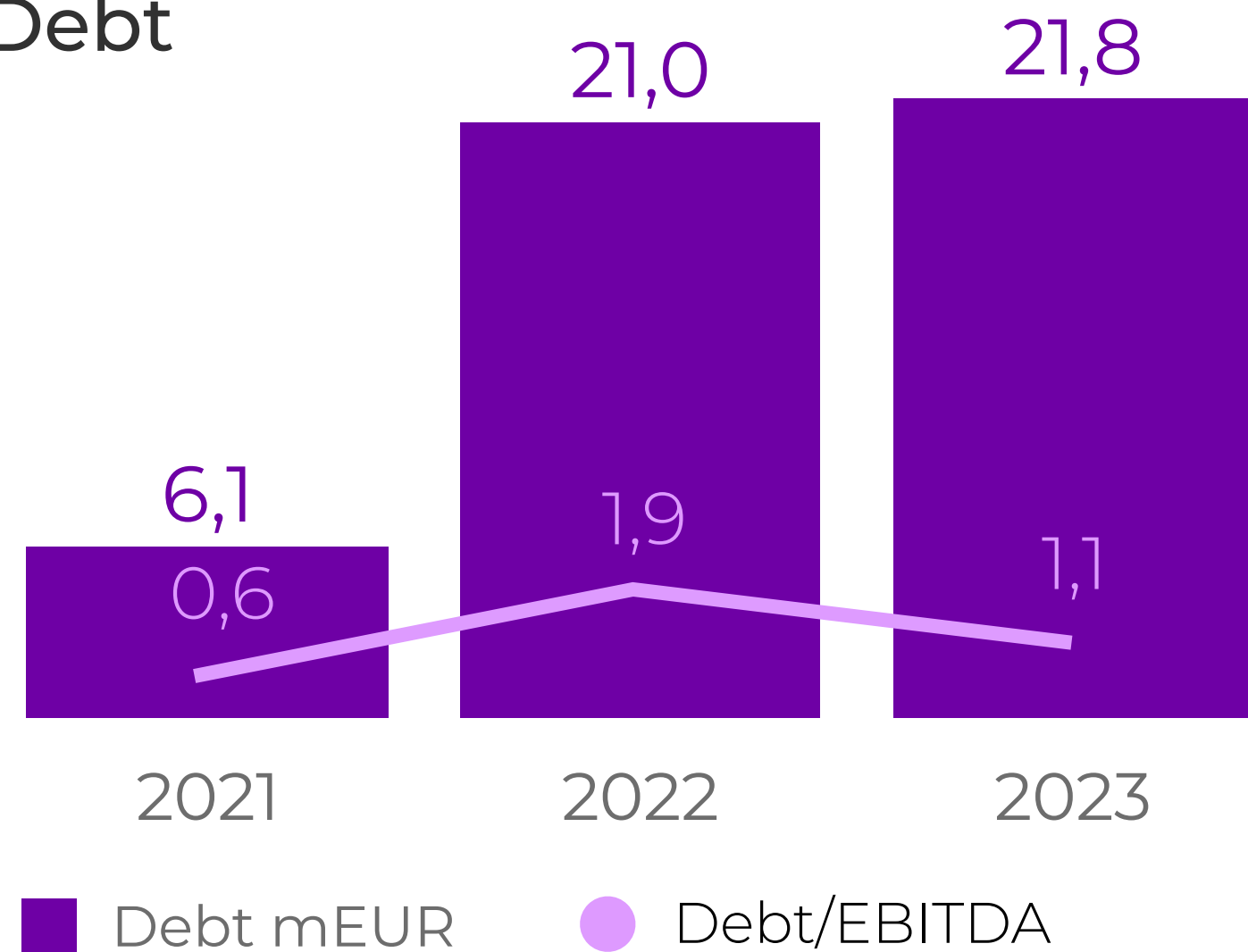
EBITDA



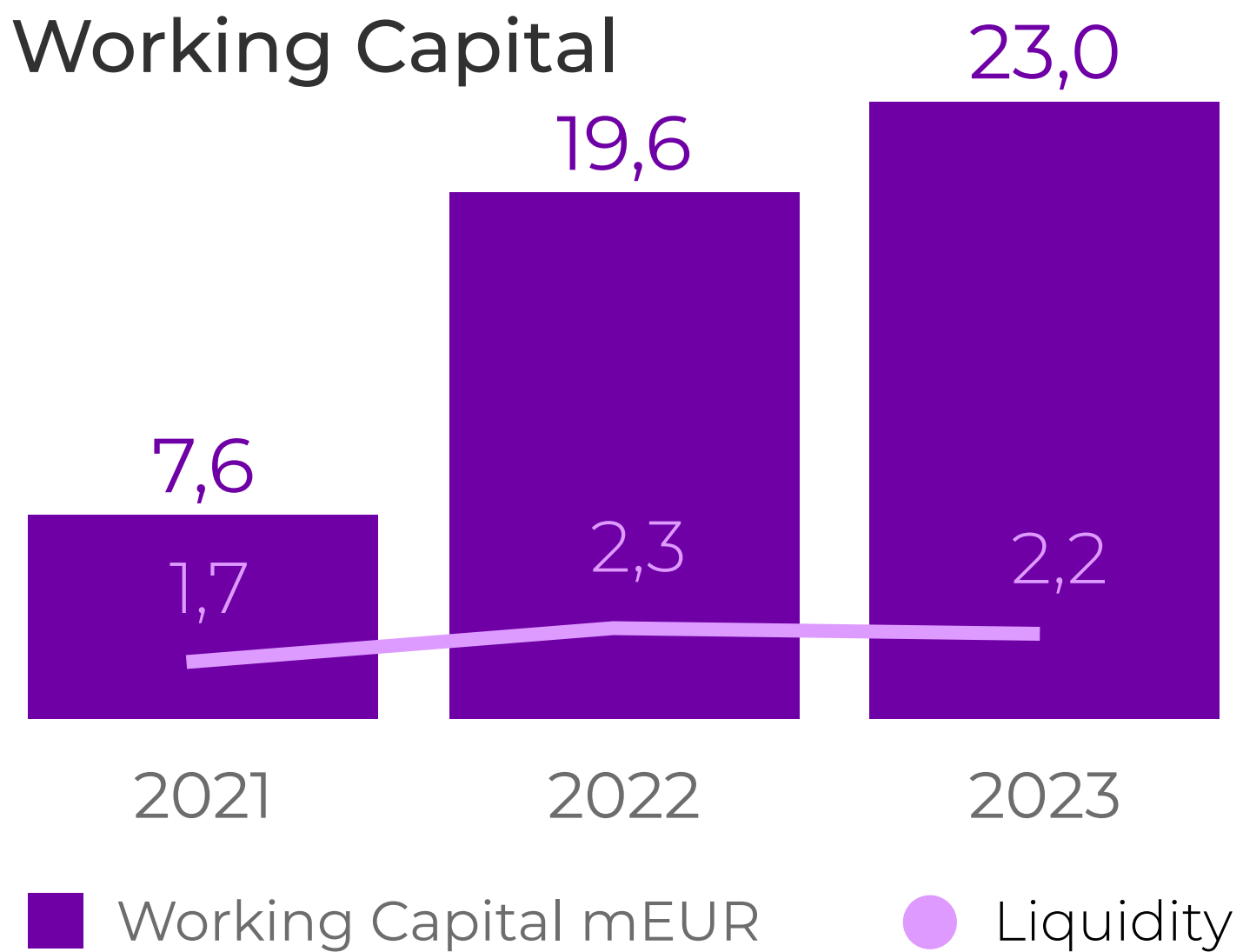
Net Sales



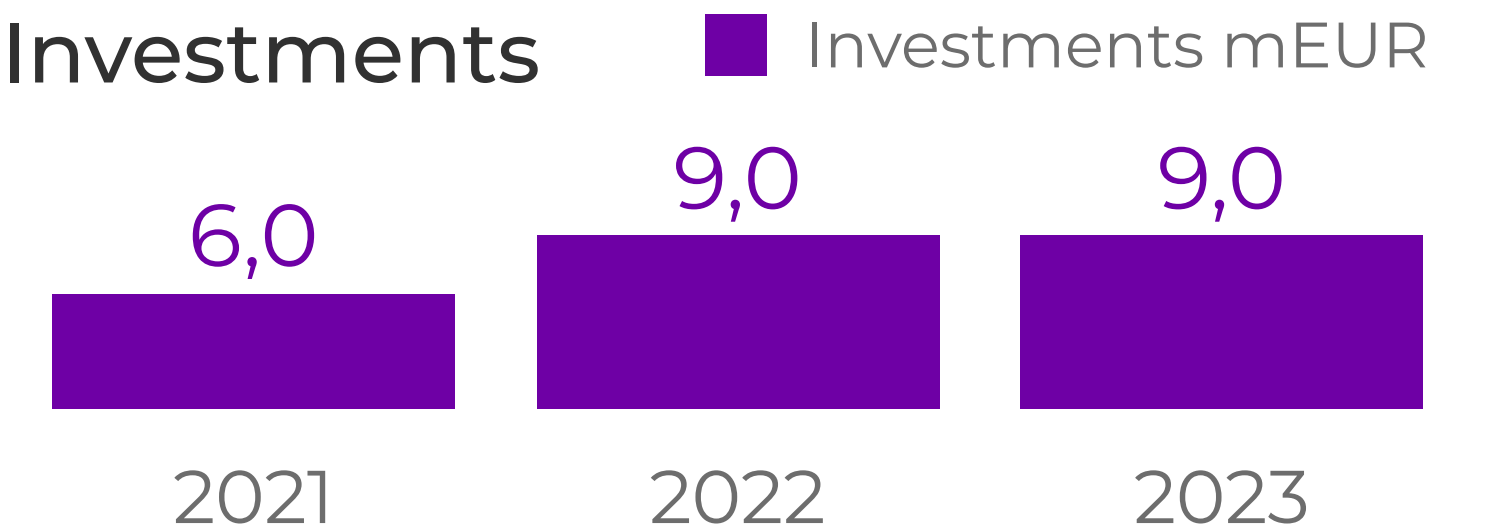
Debt



Working Capital



Investments



Dedicated to people and planet

 CLEANR
GRUPA

The background of the slide is a grayscale photograph of two large recycling bins. The bin on the left has a sign that reads "PAPIRA PLASTMASAS UN METALU EPAYOYUMS". The bin on the right has a sign that reads "SADUVES ADIBITUM". There are four large, semi-transparent circles overlaid on the image: a yellow one in the top-left, a purple one in the middle-left, a cyan one in the middle-right, and a gray one in the bottom-left. In the top right corner, there is a logo consisting of a white circle with a dot inside, followed by the text "CLEANR GRUPA".

CLEANR
GRUPA

Thank You

Investor Call
8th of May 2024