

"CleanR Grupa" AS

CONSOLIDATED AND UNAUDITED INTERIM SHORT REPORT FOR THE 1ST HALF OF 2025

**PREPARED IN ACCORDANCE WITH
INTERNATIONAL ACCOUNTING STANDART 34 INTERIM FINANCIAL REPORTING
(TRANSLATION FROM LATVIAN)**

Riga, 2025

** This version of interim short report is a translation from the original, which was prepared in the Latvian language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of interim short report takes precedence over this translation.*

TABLE OF CONTENTS

General Information	3
Management report	6
Consolidated Financial Statements:	
Consolidated statement of comprehensive income	10
Consolidated statement of financial position	11
Consolidated statement of cash flows	13
Consolidated statement of changes in equity	14
Notes to the consolidated financial statements	15

General Information

Name of the Parent company	AS “CleanR Grupa”
Legal status of the Parent company	Joint stock company
Number, place and date of registration of the Parent company	40103799972, Riga, 16 June, 2014
NACE Code and type of operations of the Parent company	6421 Activities of holding companies 7010 Activities of head offices
Legal address of the Parent company	Vietalvas street 5, Riga, LV-1009
Board members of the Parent company	Juris Gulbis – Chairman of the Board Inta Liepa – Member of the Board Guntars Levics – Member of the Board Agita Baltbārde – Member of the Board
Council members of the Parent company	Guntars Kokorevičs – Chairman of the Council Harijs Krongorns – Deputy chairman of the Council Māris Mančinskis – Member of the Council
Person responsible for accounting in the Parent company	Anžela Vjaževiča – Chief accountant
Financial period	1 January 2025 - 30 June 2025
Previous financial period	1 January 2024 – 30 June 2024

General Information (continued)

Subsidiaries consolidated

Parent company	Subsidiary	Participating interest in the subsidiary	Type of operations of the subsidiary	Legal address of the subsidiary
AS “CleanR Grupa”	SIA “Clean R”	100%	Collection of non-hazardous waste	Vietalvas street 5, Riga, LV - 1009, Latvia
AS “CleanR Grupa”	SIA “CleanR Verso”	100%	Collection of non-hazardous waste	Vietalvas street 5, Riga, LV - 1009, Latvia
AS “CleanR Grupa”	SIA “Vizii Urban”	100%	Other cleaning services	Vietalvas street 5, Riga, LV - 1009, Latvia
AS “CleanR Grupa”	SIA “Vizii Management”	100%	Activities of holding companies, Activities of head offices	Vietalvas street 5, Riga, LV - 1009, Latvia
AS “CleanR Grupa”	SIA “Brīvais kalns”	100%	Activities of holding companies	Vietalvas street 5, Riga, LV - 1009, Latvia
AS “CleanR Grupa”	SIA “CleanR Industry”	100% (from 01.08.2024)	Manufacture of plastics in primary forms	Vietalvas street 5, Riga, LV - 1009, Latvia
AS “CleanR Grupa”	SIA “CleanR Nī”	100% (from 05.08.2024)	Renting and operating of own or leased real estate	Vietalvas street 5, Riga, LV - 1009, Latvia
AS “CleanR Grupa”	SIA “Zaļā josta”	70% (until 21.02.2024) 55% (from 21.02.2024)	Material recovery	Mūkusalas street 42A, Riga, LV - 1004, Latvia
AS “CleanR Grupa”	SIA “WasteTech”	18,28% (until 14.08.2025) 66,25% (from 14.08.2025)	Activities of holding companies	Vietalvas street 5, Riga, LV - 1009, Latvia
SIA “Clean R”	SIA “Reģionālie vides pakalpojumi”	100%	Collection of non-hazardous waste	Vietalvas street 5, Riga, LV - 1009, Latvia
SIA “Clean R”	SIA “CREB Rīga”	100%	Activities of holding companies	Vietalvas street 5, Riga, LV - 1009, Latvia
SIA “Clean R”	SIA “Lautus”	100% (acquired on 31.10.2024)	Waste collection; Non-hazardous waste collection; Hazardous waste collection	Gurnicas, Ķekava Parish, LV-2123, Latvia
SIA “Clean R”	SIA “Eko Terra”	73%	Collection of non-hazardous waste; Material recovery; Other resource recovery from waste	Vietalvas street 5, Riga, LV - 1009, Latvia
SIA “Clean R”	SIA “Vides resursu centrs”	53%	Material recovery; Energy recovery	Vietalvas street 5, Riga, LV - 1009, Latvia
SIA “Clean R”	Pilnsabiedrība “Vides pakalpojumi Liepājai”	51%	Collection of non-hazardous waste	Vietalvas street 5, Riga, LV - 1009, Latvia
SIA “Clean R”	SIA “WasteTech”	47,97% (from 31.03.2025 until 14.08.2025)	Activities of holding companies	Vietalvas street 5, Riga, LV - 1009, Latvia

Parent company	Subsidiary	Participating interest in the subsidiary	Type of operations of the subsidiary	Legal address of the subsidiary
SIA “Vizii Urban”	SIA “KOM-AUTO”	100%	Other cleaning services	Celtnieku street 3, Cēsis, LV - 4101, Latvia
SIA “CREB Rīga”	AS “TĪRĪGA”	90%	Collection of non-hazardous waste	Vietalvas street 5a, Riga, LV - 1009, Latvia
SIA “Vizii Management”	SIA “Vizii”	100%	General cleaning services; Other operations related to cleaning and maintenance of buildings and production plants	Vietalvas street 5, Riga, LV - 1009, Latvia
Vizii Management SIA	SIA “CDzP”	51.08%	Real estate brokerage; Real estate management for fee or on agreement basis	Tirgoņu street 1, Cēsis, LV - 4101, Latvia
SIA “Vizii Management”	SIA “NIA Nami”	100% (sold 08.03.2024)	Lease and management of own or leased real estate; Real estate management for fee or on agreement basis	Brīvības street 155a, Riga, LV-1012, Latvia
SIA “Vizii Management”	SIA “Jauntukums”	100% (sold 08.03.2024)	Real estate management for fee or on agreement basis	Brīvības street 155a, Riga, LV-1012, Latvia
SIA “Vizii Management”	SIA “Nebruk Jelgava”	100% (sold 08.03.2024)	Real estate management for fee or on agreement basis	Krišjāņa Barona street 40a, Jelgava, LV-3001, Latvia
SIA “CDzP”	SIA “Vidzemes ESKO 1”	100%	Engineering and related technical consulting services	Tirgoņu street 1, Cēsis, LV - 4101, Latvia
SIA “Zaļā josta”	SIA “Nulles depozīts”	100% (liquidated 20.08.2024)	Recycling of sorted materials	Dēļu street 5, Riga, LV - 1004, Latvia
SIA “Zaļā josta”	SIA “Eko Energy”	100% (liquidated 11.09.2024)	Recycling of sorted materials	Radžu street 18, Riga, LV - 1057, Latvia
SIA “Zaļā josta”	SIA “Green Plastics”	50.98% (sold 10.12.2024)	Production of initial forms of plastic	Šķembu street 8, Riga, LV - 1057, Latvia

All subsidiaries of the Group are involved in the consolidation.

Management report

The principal activity of AS “CleanR Grupa” (hereinafter also referred to as the Parent Company of the Group) is the management of long-term financial investments. The companies in which AS “CleanR Grupa” has invested carry out the following business activities: investment operations, waste management, sorting of recyclable materials separated from waste and the sale of sorted materials, urban maintenance, cleaning of premises and outdoor areas, management of residential buildings, provision of energy efficiency services to apartment residents, and other forms of cooperation aimed at the management and operation of residential property management companies. The Group comprises 21 companies, with SIA “Clean R”, SIA “Zaļā Josta”, SIA “Vīzī Urban” and SIA “CleanR Verso” generating the highest net turnover.

Information about the share capital of the Parent company of the Group

On 16 May 2025, the AS “CleanR Grupa” Board ruled on issuing 238 297 new shares, increasing the Parent Company’s equity capital by EUR 238 297, and simultaneously decreasing the AS “CleanR Grupa” conditional equity capital by the same amount. The newly issued shares were allocated to the members of the Parent Company’s employee options scheme. Following the enhancement, AS “CleanR Grupa” total equity capital amounted to EUR 13,818,297.

As at 30 June 2025, the registered and fully paid share capital of the Parent Company amounted to EUR 13,818,297, consisting of 13,818,297 shares, of which 13,300,000 are Class A shares and 518,297 are staff shares. The nominal value of each share is EUR 1.

Financial indicators of the Group

The Group's net turnover increased by EUR 12.9 million or 23%, reaching EUR 68.6 million in the reporting period (compared to EUR 55.6 million the same period last year). The largest portion of revenue is generated by waste management services, which increased by EUR 5.2 million in the first six months of 2025 and amounted to EUR 32.3 million (compared to EUR 27.1 million the same period last year), as they were significantly affected by the state-imposed increase in the waste disposal tariff and the subsequent tariff indexation for the Group companies' clients.

The Group increased its gross profit by EUR 4.1 million, reaching EUR 15.0 million (2024 first 6 months: EUR 10.9 million). The gross profit margin improved to 21.8% (2024 first 6 months: 19.6%).

The Group also improved its profitability indicators, increasing EBITDA by 35% to EUR 16.3 million (2024 first 6 months: EUR 12.1 million).

The adverse effects of cost increases in the first six months of 2025, including labour and waste disposal expenses, were mitigated by tariff indexation for customers, as well as ongoing improvements in the efficiency of production facilities and processes. These improvements were supported by investments in sustainable solutions and modern technologies, including automated sorting equipment, large-capacity underground waste containers, and CNG and EURO 6 powered waste collection vehicles.

Comparison of financial indicators of the Group:

	<i>Unit</i>	2025 H1	2024 H1	Difference
Net sales, including:	<i>EUR '000</i>	68 551	55 645	12 906
- Income from waste processing	<i>EUR '000</i>	32 306	27 132	5 174
- Income from cleaning services	<i>EUR '000</i>	15 126	12 534	2 592
- Income from sorting and sale of waste	<i>EUR '000</i>	9 766	6 650	3 116
- Income from waste sorting and sale	<i>EUR '000</i>	5 805	4 135	1 670
- Other income	<i>EUR '000</i>	5 547	5 194	354
Gross operating profit	<i>EUR '000</i>	14 953	10 888	4 065
Gross profitability	%	21.8%	19.6%	2.2 pp
Return on assets (ROA)	%	11.3%	12.9%	-1.5 pp
Equity at the end of the reporting year	<i>EUR '000</i>	62 112	51 888	10 225
Current assets to short-term liabilities		1.4x	2.7x	-1.3
EBITDA	<i>EUR '000</i>	16 329	12 128	4 202
Depreciation	<i>EUR '000</i>	5 374	4 407	967

Financial indicators	30.06.2025	30.06.2024	Difference
Gross profit margin, %	21.8%	19.6%	2.2 pp
EBITDA ratio, %	23.8%	21.8%	2.0 pp
Financial independence ratio	53.5%	56.0%	-2.6 pp
Interest coverage ratio	16	12	4
Leverage ratio	0.08	0.01	0.1

Performance of the Group

In the first six months of 2025, CleanR Grupa continued its purposeful development and growth by improving financial performance and expanding its operations across regions. The Group strengthened its position in the environmental management and urban maintenance sector, invested in the modernization of infrastructure and equipment, and carried out public awareness and education initiatives in the field of circular economy. At the same time, the Group received recognition for its performance in the capital market and continued to actively participate in national sustainability processes.

In the field of waste management, following success in the procurement organized by Ogre Municipality, as of 1 February 2025, SIA “Clean R” has been responsible for waste management services in Ikšķile and Tīnūži parishes. Furthermore, after winning another tender, as of 1 June, SIA “Clean R” commenced providing services in Ķekava and Baldone. In these geographical territories, SIA “Clean R” has secured the right to provide waste management services for the next seven years.

During the reporting period, SIA “Clean R” acquired a 41.25% stake in SIA “Ķīlupe” with the aim of diversifying its services and expanding its environmental management offering in the regions. The regional waste management company SIA “Ķīlupe,” established in 1988, specializes in various areas of environmental management, including municipal waste services, construction waste handling, and sorting. Its operations cover Ogre and Aizkraukle municipalities, as well as Riga and the surrounding region.

In the first half of 2025, the Group's companies continued their development by investing in the expansion of waste sorting infrastructure. In March, as part of the EU LIFE project, SIA “Clean R” opened the most advanced sorted waste collection site in Latvia, which is also the first extensively equipped and automated site of its kind in Riga. At the beginning of summer, the site was further enhanced with a large-scale mural of approximately 550 square meters created by Latvian street artist Kiwie. Meanwhile, PS “Vides pakalpojumi Liepājai” opened a new sorted waste collection site in Liepāja, covering more than 900 square meters and providing residents with convenient options for disposing of different types of waste.

Continuing investments in infrastructure, SIA “Clean R” expanded its network of underground containers, which significantly improves urban aesthetics and reduces emissions from transport. To date, a total of 87 collection sites with more than 336 underground containers have been established.

In line with the strategic goal of reducing landfill disposal, the Group company SIA “CleanR Industry,” specializing in waste recycling, significantly increased its production of RDF (refuse-derived fuel) during the reporting period — by 78% compared to the first half of 2024. This reinforced its market-leading position in the segment and enabled further expansion into export markets. Recycled plastic volumes also grew substantially, with pellet production rising by 43% year-on-year. To further reduce waste sent to landfill, the Group company approved investments in a new production facility that will allow the redirection of waste streams from disposal to recovery.

The Group company SIA “Lautus” also advanced its development in the first half of 2025, purposefully expanding its service portfolio and improving operational processes. During the period, new vacuum pumping equipment was acquired, increasing capacity and providing greater flexibility in customer service. In addition, a new service — internal sewer system maintenance — was launched, broadening the company's scope in the field of engineering communications.

In the medical waste management segment, significant technical and procedural improvements were implemented, enabling a more effective response to customer demand. The company's professional capabilities were further demonstrated by winning public procurement tenders, securing contracts to serve the Emergency Medical Service and Riga 1st Hospital.

The industrial waste and construction debris operator SIA “CleanR Verso” invested in fleet renewal during the reporting period, acquiring several specialized transport units for the transportation of construction waste containers and for ensuring the efficient operation of the construction waste sorting and recycling center.

The Group company SIA “Zaļā josta”, which manages the producer responsibility system, introduced a new service in the first half of 2025 — the management of plastic-containing products. In addition, following trends in the energy generation and storage market, the Group company expanded its services beyond solar panel management to include the management of batteries intended for energy storage. As of early 2025, SIA “Zaļā josta” has fully developed and launched a new, modern data tracking system and client reporting portal, enabling more accurate and comprehensive data collection.

By investing in fleet development, SIA “Vīzī Urban” expanded its equipment base with 13 new specialized heavy-duty vehicles, as well as three EURO VI “clean fuel” specialized vehicles equipped with winter service equipment and vacuum-suction cleaning systems for summer operations.

In addition, during the spring – autumn season, SIA “Vizii Urban” secured the contract for cleaning Jūrmala beaches and Riga swimming areas, ensuring the daily maintenance of coastal areas.

Continuing to strengthen its position in the urban services sector, the Group company SIA “Vizii Urban’s” subsidiary SIA “KOM-AUTO” won several tenders in the first half of 2025 for road maintenance during the spring – summer season. SIA “KOM-AUTO” will provide dust control services in Valmiera, Rēzekne, and Burtnieki municipalities, as well as in the Līgatne and Amata parish associations of Cēsis municipality, including gravel road repairs in the Līgatne parish association.

In the indoor cleaning segment, continuing its focus on innovation, the Group company SIA “Vizii” expanded its technological offering during the reporting period by increasing the number of cleaning robots to 70 units. These devices ensure high standards of cleanliness and hygiene, adapt to the specific requirements of different facilities, and enhance service efficiency.

Group’s exposure to risks

The operations of the Group’s companies are exposed to various financial risks, including credit risk and liquidity risk.

In the area of credit risk, the Group’s most significant financial instruments are issued bonds, lease liabilities, and cash balances. The primary purpose of the bonds is to ensure the financing of the Group’s business operations and investments (capital expenditures).

With regard to liquidity risk management, the Group’s management monitors on a daily basis both receivables and payables payment terms, while also securing long-term financing through borrowings and financial leasing to fund investments in long-term assets.

Fire risk represents a material operational and safety challenge in the waste management sector, particularly in activities related to the sorting, storage, and processing of waste. The Group recognizes that fires can result not only in direct material losses but also disrupt business continuity, harm the environment, and pose risks to public safety. To reduce the likelihood and potential impact of such events, the Group has implemented preventive and response measures and continues to pursue ongoing improvements.

Scientific research and development activities

A fundamental element of the Group’s strategy is to develop the Group into an efficient and sustainable group of companies through investments in technologies that reduce production costs, improvement of customer service and optimization of processes.

Future development of the Group

In 2025, the management of the Group’s parent company will continue to strengthen the Group’s corporate governance model, adhering to global best practices and ensuring the application of transparency and openness principles in stakeholder relations. At the same time, in line with the defined strategy, improvements will be made to the Group’s structure and process efficiency. All business development activities and investments aimed at streamlining the business model and processes will focus on the organic growth of the Group’s companies, supported by both completed and potential Merge and acquisition transactions.

AS “CleanR Grupa”, as a unifier of leading companies in the environmental sector, recognises its economic, social, and environmental impact. Therefore, in 2025, strategic sustainability management will continue at the Group level, balancing business development goals with the requirements of European Union regulations and best practices. Despite potential regulatory changes, the non-financial reporting practice launched in 2022 will be continued, with the publication of an integrated annual report combining sustainability and financial information.

Events after the end of the reporting period

In the third quarter of 2025, a Group subsidiary obtained financing from AS “Swedbank” for the acquisition of the share capital of SIA “Lautus,” thereby strengthening the Group’s financial capacity for future development initiatives as well as mergers and acquisitions. In July 2025, for the purposes of this financing project, the Group established a subsidiary, SIA “Lautus SPV”.

In July 2025, the acquisition of SIA “Tranzīts L,” initiated in the previous year, was finalized, with the Competition Council granting the Group’s urban maintenance company “Vizii Urban” acquisition of majority stake of the company.

AS “CleanR Grupa” intends to launch its first public bond offering in all three Baltic states in the forth quarter of 2025, targeting up to EUR 15 million. This will be part of a new bond program of up to EUR 50 million, aimed at supporting further development and expansion in the Baltic region.

From the end of the reporting period until the date of signing these financial statements, no events have occurred that would require adjustments to these financial statements or their notes.

Juris Gulbis
Chairman of the Board

Guntars Levics
Member of the Board

Inta Liepa
Member of the Board

Agita Baltbārde
Member of the Board

Consolidated statement of comprehensive income (unaudited)

	Note	01.01.2025- 30.06.2025 EUR	01.01.2024- 30.06.2024 EUR
Revenue	1	68 550 784	55 644 519
Cost of sales	2	(53 597 750)	(44 756 396)
Gross profit		14 953 034	10 888 123
Selling expenses		(1 038 195)	(1 310 338)
Administrative expenses		(4 251 032)	(3 260 744)
Other operating income		317 707	1 653 075
Other operating expense		(334 419)	(389 666)
Profit from investments in associates		1 166 743	541 586
EBIT*		10 813 838	8 122 036
Interest income and similar income		152 467	297 795
Interest expenses and similar expenses		(1 020 976)	(997 068)
Profit before corporate income tax		9 945 329	7 422 763
Corporate income tax		(692 761)	(39 069)
Profit and comprehensive income for the reporting period		9 252 568	7 383 694
Of which:			
Share of profit attributable to non-controlling interests		995 181	316 504
Share of profit attributable to the shareholders of the Parent company		8 257 387	7 067 190

Notes on pages 15 to 22 are an integral part of these financial statements.

* See section “Significant accounting policies” for an explanation on the addition of a non-IFRS indicator.

Juris Gulbis
Chairman of the Board

Guntars Levics
Member of the Board

Inta Liepa
Member of the Board

Agita Baltbārde
Member of the Board

Anžela Vjaževiča
Chief accountant

Consolidated statement of financial position (unaudited)

ASSETS	Note	30.06.2025. EUR	31.12.2024. EUR
NON-CURRENT ASSETS			
Goodwill		9 045 001	8 010 727
Intangible assets		3 325 270	3 687 191
Property, plant and equipment	3	32 468 361	28 604 643
Right of use assets		10 663 179	10 523 218
Advance payments for property, plant and equipment	3	264 105	564 223
Investments in associates		7 555 448	6 423 369
Other non-current assets		684 114	825 640
TOTAL NON-CURRENT ASSETS		64 005 478	58 639 011
CURRENT ASSETS			
Inventory		1 574 677	1 846 482
Trade receivables and contract assets	4	20 829 401	20 227 861
Other current assets		2 460 413	1 572 356
Cash and cash equivalents	5	27 335 600	22 254 601
TOTAL CURRENT ASSETS		52 200 091	45 901 300
TOTAL ASSETS		116 205 569	104 540 311

Notes on pages 15 to 22 are an integral part of these financial statements.

Consolidated statement of financial position (unaudited) (continued)

EQUITY AND LIABILITIES	Note	30.06.2025. EUR	31.12.2024. EUR
EQUITY			
Share capital	6	13 818 297	13 580 000
Reserves		181 703	10 926
Retained earnings		43 124 292	35 275 979
Equity attributable to the shareholders of the Parent company		57 124 292	48 866 905
Non-controlling interest	7	4 988 086	4 807 843
TOTAL EQUITY		62 112 378	53 674 748
LIABILITIES			
NON-CURRENT LIABILITIES			
Loans from credit institutions and other borrowings	9	11 705 503	7 240 720
Deferred tax liabilities		2 210 400	1 933 340
Deferred income		1 331 403	1 359 515
Other non-current liabilities	10	1 908 636	2 307 510
TOTAL NON-CURRENT LIABILITIES		17 155 942	12 841 085
CURRENT LIABILITIES			
Issued debt securities	8	13 939 443	13 874 316
Loans from credit institutions and other borrowings	9	3 953 975	2 763 918
Trade payables		7 001 501	6 833 722
Taxes and state mandatory social insurance payments		2 575 365	2 282 893
Deferred income		625 669	839 508
Unpaid dividends		206 000	1 945 000
Other current liabilities	10	8 635 296	9 485 121
TOTAL CURRENT LIABILITIES		36 937 249	38 024 478
TOTAL LIABILITIES		54 093 191	50 865 563
TOTAL EQUITY AND LIABILITIES		116 205 569	104 540 311

Notes on pages 15 to 22 are an integral part of these financial statements.

Juris Gulbis
Chairman of the Board

Guntars Levics
Member of the Board

Inta Liepa
Member of the Board

Agita Baltbārde
Member of the Board

Anžela Vjaževiča
Chief accountant

Consolidated statement of cash flows (unaudited)

	Note	01.01.2025- 30.06.2025 EUR	01.01.2024- 30.06.2024 EUR
Cash flow from operating activities			
Profit before corporate income tax		9 945 329	7 422 762
Adjustments for			
decrease in value of property, plant and equipment and right of use assets		4 430 937	3 541 264
decrease in value of intangible assets		508 314	889 479
(profit)/ loss on disposal of property, plant and equipment		(65 720)	156 471
profit from investments in associates		(1 166 743)	(319 016)
profit from other non-current investments		-	11 131
interest and similar income		(152 467)	(297 795)
interest and similar expense		1 020 976	997 068
Profit before adjustments of working capital and non-current liabilities		14 520 626	12 401 364
(Decrease)/increase in receivables		(944 983)	1 831 992
Increase in inventory		271 805	47 790
(Decrease)/increase in payables		(1 122 636)	(3 606 222)
Gross cash flow from operating activities		12 724 812	10 674 924
Corporate income tax payments		(415 701)	(835 611)
Net cash flow from operating activities		12 309 111	9 839 313
Cash flow from investing activities			
Acquisition of subsidiaries, net of cash		(1 895 838)	-
Acquisition of property, plant and equipment and intangibles		(1 809 189)	(3 870 935)
Proceeds from sales of property, plant and equipment and intangibles		65 720	616 058
Dividends received		896 227	-
Interest received		150 047	280 900
Loans issued		(30 000)	-
Net cash flow from investing activities		(2 623 033)	(2 973 977)
Cash flow from financing activities			
Repayment of borrowings		(10 970)	(88 379)
Grants and donations received		92 237	149 141
Payments for leased assets		(1 274 049)	(1 412 371)
Interest paid		(955 850)	(937 726)
Dividends paid		(2 456 447)	(3 196 891)
Net cash flow from financing activities		(4 605 079)	(5 486 226)
Net cash flow of the reporting period		5 080 999	1 379 110
Cash and cash equivalents at the beginning of the reporting period		22 254 601	20 449 571
Cash and cash equivalents at the end of reporting period	5	27 335 600	21 828 681

Notes on pages 15 to 22 are an integral part of these financial statements.

Juris Gulbis
Chairman of the Board

Guntars Levics
Member of the Board

Inta Liepa
Member of the Board

Agita Baltbārde
Member of the Board

Anžela Vjaževiča
Chief accountant

Consolidated statement of changes in equity (unaudited)

	Share capital	Reserves	Retained earnings	Equity attributable to the shareholders of the Parent company	Non-controlling interest	Total equity
	EUR	EUR	EUR	EUR	EUR	EUR
As at 31 December 2023	346 000	-	41 058 416	41 404 416	5 100 595	46 505 011
Comprehensive income						
Profit for the period	-	-	7 067 191	7 067 191	316 503	7 383 694
Transactions with the shareholders of the Group						
Reserves	-	10 926	-	10 926	-	10 926
Dividends	-	-	(1 544 000)	(1 544 000)	(1 652 891)	(3 196 891)
Acquisition of subsidiary	-	-	152 603	152 603	1 032 397	1 185 000
As at 30 June 2024	346 000	10 926	46 734 210	47 091 136	4 796 604	51 887 740
Comprehensive income						
Profit for the period	-	-	4 918 968	4 918 968	1 168 069	6 087 037
Transactions with the shareholders of the Group						
Increase of share capital	13 234 000	-	(280 000)	12 954 000	-	12 954 000
Reserves	-	-	(10 926)	(10 926)	-	(10 926)
Dividends	-	-	(16 288 765)	(16 288 765)	(954 338)	(17 243 103)
Acquisition of subsidiary	-	-	202 492	202 492	(202 492)	-
As at 31 December 2024	13 580 000	10 926	35 275 979	48 866 905	4 807 843	53 674 748
Comprehensive income						
Profit for the period	-	-	8 257 387	8 257 387	995 181	9 252 568
Transactions with the shareholders of the Group						
Increase of share capital	238 297	(238 297)	-	-	-	-
Reserves	-	409 074	(409 074)	-	-	-
Dividends	-	-	-	-	(717 447)	(717 447)
Acquisition of subsidiary	-	-	-	-	(97 491)	(97 491)
As at 30 June 2025	13 818 297	181 703	43 124 292	57 124 292	4 988 086	62 112 378

Notes on pages 15 to 22 are an integral part of these financial statements.

Juris Gulbis
Chairman of the Board

Guntars Levics
Member of the Board

Inta Liepa
Member of the Board

Agita Baltbārde
Member of the Board

Anžela Vjaževiča
Chief accountant

Notes to the consolidated financial statements

General information on the Group

AS “CleanR Grupa” and its subsidiaries (hereinafter – the Group) provide a wide range of services: investment activities, waste management, sorting of recyclable materials separated from waste and the sale of sorted materials, indoor and outdoor cleaning services, residential property management, provision of energy efficiency services to residents of multi-apartment buildings, and other forms of cooperation aimed at managing and servicing residential property management companies. The Group consists of 21 companies, with the largest net turnover generated by SIA “Clean R”, SIA “Zaļā Josta”, SIA “Vizii Urban”, and SIA “CleanR Verso”. Information about the Group is provided in a separate section of this financial report on pages 3 to 5.

The financial statements for the year 2024 were approved by the Board of the Parent company on 29 April 2025. Financial statements are subject to approval by the Shareholder meeting, which is appointed by the Board of the Parent company after receipt of the independent auditors' report.

Consolidated and unaudited interim short report for the first six months of 2025 includes financial information for the period beginning on 1 January 2025 and ending on 30 June 2025 and comparative indicators for the period beginning on 1 January 2024 and ending on 30 June 2024.

Consolidated and unaudited interim short report for the first six months of 2025 were approved by the Board of the Parent company on 23 September 2025.

Significant accounting policies

These interim short consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) as endorsed by the EU. Due to the European Union endorsement process, this note also includes standards and interpretations that have not yet been endorsed for use in the European Union, as these standards and interpretations may have an impact on the financial statements of future periods when they are endorsed.

The financial statements are prepared on the historical cost basis. The statement of cash flows is prepared using the indirect method. The income statement is classified by function of expense.

The non- IFRS indicator EBIT is presented on the income statement. This is customary in the industry and enables investors with a better comparability with other companies operating in the same industry. For the purpose of these financial statements, EBIT is calculated as profit before finance income, finance expenses and corporate income tax. EBIT may be calculated differently in the financial statements of other companies.

Notes to the consolidated financial statements (continued)

1. Revenue

	01.01.2025- 30.06.2025 EUR	01.01.2024- 30.06.2024 EUR
Revenue from contracts with customers (IFRS 15):		
Income from waste collection (NACE 38.11)	32 306 287	27 132 098
Income from cleaning activities (NACE 81.22)	15 126 034	12 533 724
Income from the management of packaging, environmentally harmful goods, and electrical and electronic equipment (NACE 38.32)	9 766 295	6 650 292
Income from recycling (NACE 38.21)	5 804 698	4 134 747
Sale of goods (NACE 46.90)	4 043 876	3 023 316
Other revenue	1 503 594	2 170 342
TOTAL:	68 550 784	55 644 519
Net sales by geographic markets	01.01.2025- 30.06.2025 EUR	01.01.2024- 30.06.2024 EUR
Latvia	64 876 438	53 011 646
European Union and EEA	3 228 791	2 632 873
Other countries	445 555	-
TOTAL:	68 550 784	55 644 519

2. Cost of sales

	01.01.2025- 30.06.2025 EUR	01.01.2024- 30.06.2024 EUR
Direct cost of waste management	14 887 668	11 117 815
Salaries	13 334 136	11 498 442
Cost of packaging, environmentally harmful goods, and electrical and electronic equipment collection and recycling	6 563 686	5 097 345
Depreciation of property, plant, equipment, right of use assets	4 284 208	3 478 968
Social insurance contributions	3 243 469	2 528 880
Transportation and handling of goods	1 904 263	1 709 046
Energy costs	690 056	1 091 412
Amortisation of intangible assets	477 114	582 390
Repair of own and leased assets	355 037	164 542
Cost of property management	154 323	113 475
Other costs of sales	7 703 790	7 374 081
TOTAL:	53 597 750	44 756 396

Notes to the consolidated financial statements (continued)

3. Property, plant and equipment

	Land, buildings and engineering structures EUR	Leasehold improvements EUR	Technological equipment and devices EUR	Other fixed assets and inventory EUR	Construc- tion in progress EUR	Advances for fixed assets EUR	Total EUR
As at 31 December 2023							
Cost	11 849 873	1 780 272	20 757 247	15 958 667	6 745 294	1 486 772	58 578 125
Accumulated depreciation	(5 109 266)	(231 645)	(11 972 082)	(9 635 595)	(5 407 503)	(59 753)	(32 415 844)
Accumulated impairment charge	(394 448)	-	-	-	(58 700)	-	(453 148)
Net book value as at 31 December 2023	6 346 159	1 548 627	8 785 164	6 323 072	1 279 091	1 427 019	25 709 132
2024							
Net book value as at 1 January	6 346 159	1 548 627	8 785 164	6 323 072	1 279 091	1 427 019	25 709 132
Additions	529 625	64 555	31 585	1 454 328	3 182 828	1 357 075	6 619 996
Result of acquisition and sale of subsidiaries (cost)	3 187 058	30 097	1 116 094	2 439 914	117 753	-	6 890 916
Cost of excluded PPE	(783 030)	-	(1 558 951)	(979 388)	(66 307)	(11 536)	(3 399 212)
Reclassification	697 254	796 101	8 024 797	(3 940 246)	(3 408 016)	(2 208 335)	(38 445)
Reclassified from right of use assets (cost)	-	-	252 189	-	-	-	252 189
Depreciation	(834 214)	(166 618)	(2 524 111)	(1 696 343)	-	-	(5 221 286)
Result of acquisition and sale of subsidiaries (accumulated depreciation)	(1 603 926)	(17 902)	(921 283)	(1 524 582)	-	-	(4 067 693)
Accumulated depreciation of excluded PPE	267 703	-	1 455 678	889 411	-	-	2 612 792
Reclassification from right of use assets (accumulated depreciation)	-	-	(173 030)	-	-	-	(173 030)
Reclassification	-	5 513	(2 308 901)	2 284 995	1 900	-	(16 493)
Net book value as at 31 December	7 806 629	2 260 373	12 179 231	5 251 161	1 107 249	564 223	29 168 866
As at 31 December 2024							
Cost	15 480 780	2 671 025	28 622 961	14 933 275	6 571 552	623 976	68 903 569
Accumulated depreciation	(7 279 703)	(410 652)	(16 443 729)	(9 682 114)	(5 405 603)	(59 753)	(39 281 554)
Accumulated impairment charge	(394 448)	-	-	-	(58 700)	-	(453 148)
Net book value as at 31 December 2024	7 806 629	2 260 373	12 179 231	5 251 161	1 107 249	564 223	29 168 866

Notes to the consolidated financial statements (continued)

	Land, buildings and engineering structures EUR	Leasehold improvements EUR	Technological equipment and devices EUR	Other fixed assets and inventory EUR	Construc-tion in progress EUR	Advances for fixed assets EUR	Total EUR
As at 31 December 2024							
Cost	15 480 780	2 671 025	28 622 961	14 933 275	6 571 552	623 976	68 903 569
Accumulated depreciation	(7 279 703)	(410 652)	(16 443 729)	(9 682 114)	(5 405 603)	(59 753)	(39 281 554)
Accumulated impairment charge	(394 448)	-	-	-	(58 700)	-	(453 148)
Net book value as at 31 December 2024	7 806 629	2 260 373	12 179 231	5 251 161	1 107 249	564 223	29 168 866
01 January 2025 - 30 June 2025							
Net book value as at 1 January	7 806 629	2 260 373	12 179 231	5 251 161	1 107 249	564 223	29 168 866
Additions	179 911	-	4 616 445	1 263 713	2 108 029	503 691	8 671 789
Cost of excluded PPE	-	-	(2 038 406)	(392 956)	(35 104)	-	(2 466 466)
Reclassification	70 235	102 523	1 878 786	92 920	(6 806 602)	(863 552)	(5 525 690)
Depreciation	(480 642)	(136 144)	(2 159 353)	(1 063 992)	-	-	(3 840 131)
Accumulated depreciation of excluded PPE	-	-	822 251	377 791	-	-	1 200 042
Reclassification	-	-	-	-	5 464 303	59 753	5 524 056
Net book value as at 30 June	7 576 133	2 226 752	15 298 954	5 528 637	1 837 875	264 115	32 732 466
As at 30 June 2025							
Cost	15 730 926	2 773 548	33 079 786	15 896 952	1 837 875	264 115	69 583 201
Accumulated depreciation	(7 760 345)	(546 796)	(17 780 831)	(10 368 315)	58 700	-	(36 397 587)
Accumulated impairment charge	(394 448)	-	-	-	(58 700)	-	(453 148)
Net book value as at 30 June 2025	7 576 133	2 226 752	15 298 954	5 528 637	1 837 875	264 115	32 732 466

4. Trade receivables and contract assets

	30.06.2025. EUR	31.12.2024. EUR
Trade receivables from contracts with customers	14 938 847	14 510 911
Contract assets	6 726 584	6 739 838
Provision for expected credit loss	(836 030)	(1 022 888)
TOTAL:	20 829 401	20 227 861

5. Cash and cash equivalents

	30.06.2025. EUR	31.12.2023. EUR
Cash in bank	27 331 901	22 251 978
Cash on hand	2 658	2 623
Cash in transit	1 041	-
TOTAL:	27 335 600	22 254 601

Notes to the consolidated financial statements (continued)

6. Share capital

As of 30 June 2025, the registered and fully paid share capital of the Group's parent company is EUR 13,818,297, consisting of 13,818,297 shares, of which 13,300,000 are Category A shares and 518,297 are staff shares. The nominal value of each share is 1 euro. The ultimate beneficial owner of the Group's parent company is Guntars Kokorevičs.

7. Non-controlling interest

Non-controlling interest is comprised of investments by other shareholders (not the Parent company of the Group) in the following subsidiaries of the Group:

Subsidiary of the Group	Non-controlling interest, %	30.06.2025. EUR	31.12.2024. EUR
SIA “CDzP”	48.92%	381 733	499 358
SIA “Vidzemes ESKO 1”	48.92%	(3 234)	(3 318)
SIA “Eko Terra”	26.99%	107 386	60 536
PS “Vides pakalpojumi Liepājai”	49.00%	330 012	463 290
SIA “Vides resursu centrs”	47.00%	1 089 860	1 599 949
AS “TĪRĪGA”	10.00%	(87 643)	(86 116)
SIA “Zaļā josta”	45.00%	2 817 953	2 274 144
SIA “WasteTech”	33.75%	352 019	-
		4 988 086	4 807 843

8. Issued debt securities

The parent company of the Group has issued bonds (ISIN LV0000802676) with the total value of 15 000 000 EUR, the number of quoted financial instruments is 15 000 with a nominal value of 1 000 EUR each. The bonds are registered at the Latvian Central Depository and admitted to trading on AS “Nasdaq Riga” on 31 January 2023.

On 30 June 2025 and 31 December 2024 the subsidiaries of the Group held bonds in the amount of EUR 1 000 000.

The value of the bonds must be redeemed in one payment at the bond maturity date. The repayment deadline of the principal amount is 9 December 2025. The coupon rate is 3M EURIBOR + 6.5% and the coupon is paid on a quarterly basis.

Capital shares of the subsidiaries of the Group SIA “Clean R”, SIA “CleanR Verso”, SIA “Vizii Urban” serve as collateral against the bonds.

Movement in issued debt securities (financial liabilities at amortised cost) during the reporting period:

	01.01.2025- 30.06.2025 EUR	01.01.2024- 31.12.2024 EUR
Issued debt securities at the beginning of the reporting period	13 874 316	13 752 808
Accrued interest	699 921	1 556 618
Interest paid	(634 794)	(1 435 110)
Issued debt securities at the end of the reporting period	13 939 443	13 874 316
incl. current portion	13 939 443	13 874 316
non-current portion (2 – 5 years)	-	-

Notes to the consolidated financial statements (continued)

9. Loans from credit institutions and other borrowings

Loans from credit institutions and other borrowings are mainly comprised of loans from banks and lease liabilities.

	30.06.2025. EUR	31.12.2024. EUR
Loans from credit institutions	47 604	58 574
Lease liabilities	15 576 862	9 903 040
Other current borrowings	35 012	43 024
	15 659 478	10 004 638

10. Other liabilities

	30.06.2025. EUR	31.12.2024. EUR
Savings fund of apartment buildings	1 888 636	1 787 510
Liability towards a Latvian legal entity for the acquisition of capital shares	-	500 000
Other liabilities	20 000	20 000
Non-current portion	TOTAL: 1 908 636	2 307 510
Savings fund of apartment buildings	472 159	540 108
Accrued liabilities	6 859 544	6 292 954
Other liabilities	1 303 593	2 652 059
Current portion	TOTAL: 8 635 296	9 485 121
	TOTAL: 10 543 932	11 792 631

11. Related party transactions

Mutual balances and transactions between the Group Parent company AS “CleanR Grupa” and its subsidiaries, which are related companies, are eliminated for consolidation purposes and are not disclosed in this note. In the reporting period, the Group companies were involved in the following transactions with the top management and shareholders.

Accounts receivable from related parties:	30.06.2025. EUR	30.06.2025. EUR	31.12.2024. EUR	31.12.2024. EUR
	Companies controlled by the beneficial owner	Associated companies	Companies controlled by the beneficial owner	Associated companies
Receivables from related parties	-	56 538	-	10 183
Payables to related parties	-	(532 525)	-	(31 919)
	01.01.2025-30.06.2025 EUR	01.01.2025-30.06.2025 EUR	01.01.2024-30.06.2024 EUR	01.01.2024-30.06.2024 EUR
Revenue and expenses from transactions with related parties:	Companies controlled by the beneficial owner	Associated companies	Companies controlled by the beneficial owner	Associated companies
Revenue	-	2 399 425	1 964	745 649
Expenses	-	(1 083 348)	(137 500)	(247 648)

Notes to the consolidated financial statements (continued)

Dividends to related parties:

	Period	Dividends paid, EUR
To the shareholders of the Parent company	01.01.2025 - 30.06.2025	-
To the shareholders of the Parent company	01.01.2024 - 31.12.2024	17 832 765

12. Financial risk management

The Group is exposed to market, credit and liquidity risks that arise from its financial instruments. Financial risk management is ensured by the Board and Finance director of the Parent company of the Group. Financial risk management actions are aimed at supporting operating activities of the Group. Group companies do not engage with risky operations that might increase their exposition towards currency or interest rate risks.

13. Fair value measurements

Based on the Group's management's assessment, the carrying amounts of financial assets and liabilities approximated to their fair value as at 30 June 2025 and 31 December 2024.

14. Capital management

The Group manages its capital to ensure that the Group companies will be able to continue as a going concern, meanwhile maximizing the return to shareholders through the optimization of debt and equity balance. Group's management reviews the capital structure of the Group on an annual basis. Under these consolidated financial statements, the Group's management considers the capital structure and the risks associated with each class of capital.

The Group's capital structure consists of net debt (borrowings and leases, as detailed in Note 9 offset by cash at bank) and equity of the Group (comprising issued capital, retained earnings and non-controlling interests).

Financial covenants are set for debt securities issued by the Group. As at 30 June 2025 and 31 December 2024 financial covenants were not breached.

Covenants related to the debt securities issued by the Parent company of the Group are as follows:

- Equity ratio being above 30% – as at 30 June 2025 this indicator was 53,5% (31.12.2024.: 51%)
- Interest coverage ratio being above 3 – as at 30 June 2025 this indicator was 16 (31.12.2024.: 13)
- Net debt leverage ratio being less than 3.5 – as at 30 June 2025 this indicator was 0.08 (31.12.2024.: 0.06)

Notes to the consolidated financial statements (continued)

15. Financial and contingent liabilities

As of 31 December 2024, AS "Luminor Bank" had issued tender and performance guarantees on behalf of the Group company SIA "Clean R" in the total amount of EUR 1,049,179. At the beginning of 2025, the Company transferred the tender and performance guarantees to AS "Swedbank". Therefore, as of 31 December 2024, the fixed assets owned by the Group company SIA "Clean R" were pledged in favour of "Luminor Bank" AS and served as collateral for the fulfilment of obligations. On 13 March 2025, the aforementioned commercial pledge was cancelled, and on 17 March 2025, a new commercial pledge was registered in favour of AS "Swedbank", serving as collateral for the performance guarantees issued on behalf of the Group company SIA "Clean R".

Insurance companies registered in the Republic of Latvia have issued performance guarantees on behalf of the Group companies in the total amount of EUR 4,970,618.

16. Subsequent events

In the third quarter of 2025, a Group subsidiary obtained financing from AS Swedbank for the acquisition of the share capital of SIA "Lautus," thereby strengthening the Group's financial capacity for future development initiatives as well as mergers and acquisitions. In July 2025, for the purposes of this financing project, the Group established a subsidiary, SIA "Lautus SPV".

For the purposes of this financing project, the Group established a subsidiary, SIA "Lautus SPV".

In July 2025, the acquisition of SIA "Tranzīts L," initiated in the previous year, was finalized, with the Competition Council granting the Group's urban maintenance company "Vizii Urban" acquisition of majority stake of the company.

AS "CleanR Grupa" intends to launch its first public bond offering in all three Baltic states in the forth quarter of 2025, targeting up to EUR 15 million. This will be part of a new bond program of up to EUR 50 million, aimed at supporting further development and expansion in the Baltic region.

From the last day of the reporting period until the date of signing these financial statements, there have been no other events that would require adjustments to these financial statements or that would need to be disclosed herein.

Juris Gulbis
Chairman of the Board

Guntars Levics
Member of the Board

Inta Liepa
Member of the Board

Agita Baltbārde
Member of the Board

Anžela Vjaževiča
Chief accountant

ELECTRONIC SIGNATURES OF THE BOARD MEMBERS RELATE TO THE INTERIM SHORT REPORT AS A SINGLE DOCUMENT FROM PAGE 1 TO 22.

ELECTRONIC SIGNATURE OF THE PERSON RESPONSIBLE FOR ACCOUNTING RELATES TO THE INTERIM SHORT REPORT FROM PAGE 3 TO 5 AND FROM PAGE 10 TO 22.