

SIA "Rīgas ūdens" UNAUDITED CONDENSED FINANCIAL STATEMENTS

for the 9-month period that ended
on September 30, 2025, prepared in accordance with
to the requirements of international financial reporting
standards

RĪGA, 2025



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Information about company

Company name

SIA „Rīgas ūdens”

Legal status

Limited company

**Registration number,
place and date**

40103023035
Riga, September 24. 1991
Reregistration in the Commercial Register
12 January 2004, under uniform registration number
40103023035

Address

Zigfrida Annas Meierovica boulevard 1
Riga, LV-1495, Latvia

Owner

Riga City Council(100%)
Ratslaukums 1, Riga, LV-1050,Latvia

Supervisory board members

Dace Ljusa – Chairman of the supervisory board
Tālis Juhna – member of the supervisory board
Imants Paeglītis – member of the supervisory board

Board members

Krišjānis Krūmiņš– Chairman of the board
Normunds Zvaunis– member of the board
Agnese Ozolkāja – member of the board

Key Performance Indicators

Period 01.01.2025–30.09.2025

Business Performance



-0,14%
Volume of
Water Sold
(m³)
Compared to
9M 2024

-1,15%
Sewerage
Services (m³)
Compared to
9M 2024

1,1 km
New Pipelines
Constructed

13,7km
Renovated
Pipelines

+784
New Service
Users

Financial Performance



+5,6%
9-Month
Revenue
Changes
Compared to
9M 2024

23,7
MEUR
9-months
EBITDA

2,2x
Net debt/
EBITDA

72,4%
Capital ratio

26,5
MEUR
Investment
volume

Management report

Business model

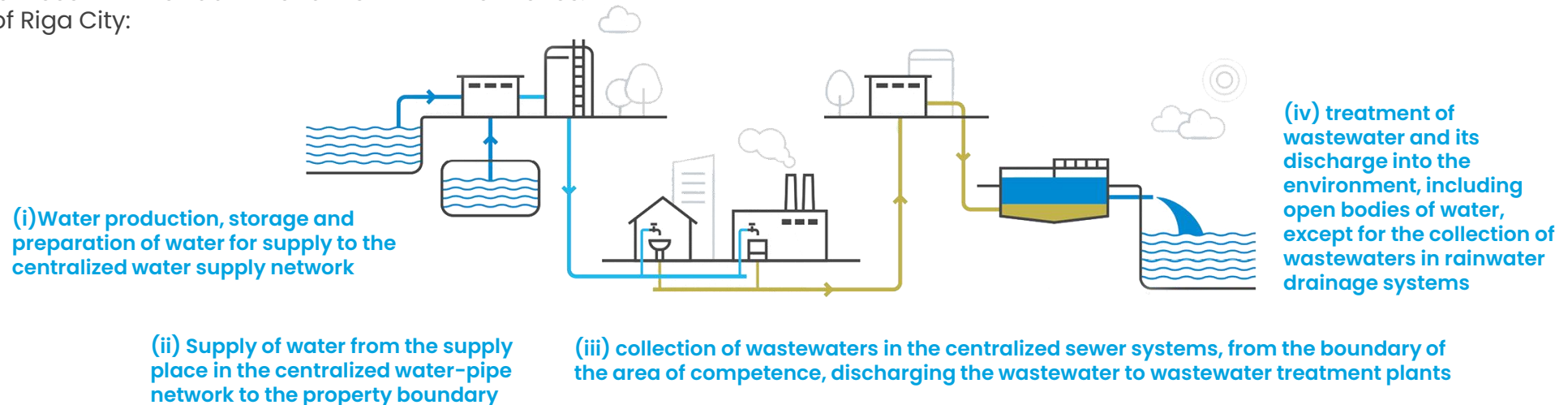
The main activity of SIA "Rīgas ūdens" (hereinafter – society) is the provision of centralised water supply and sewerage services to natural and legal persons.

on July 24, 2019, the Riga City Self-government and the company entered into a new contract for the provision of the following water management public services in the administrative territory of Riga City:

The contract shall remain in force until 23 July 2029.

The company also provides centralised water supply services in certain territories of Pierīga – Adazi Municipality Adazi Parish, Ropazi Municipality Garkalne and Stopiņu Parish, Marupes Municipality Marupes Parish and Kekava Municipality Kekava Parish territories.

In addition to operating services in the field of water management, the company provides real estate rental services, providing utilities to tenants, conducting water and sewage laboratory analysis and other services. The proportion of these services is negligible.



Management report

Water management service tariff

During the reporting period, the Company ensured the provision of water utility services as stipulated in the Public Service Agreements and implemented a range of measures aimed at improving the Company's infrastructure, technological development, customer service, and service delivery efficiency.

To support continued pipeline renovation and mitigate the future increase in costs associated with unplanned repair works, a tariff revision is planned for the upcoming period.

The tariffs set for the Company's operations, which form the basis of its revenue, are strictly monitored by the Public Utilities Commission (hereinafter – PUC).

On January 1, 2025, new water utility service tariffs (excluding value-added tax) came into effect, as approved by the Public Utilities Commission (PUC) Council Decision No. 86 dated November 21, 2024, regarding the tariffs of SIA "Rīgas ūdens." The tariff changes were related to an increase in capital costs. No changes were made to other components of the water utility service tariff.

On July 3, 2025, the PUC adopted a decision on the return on capital rates for 2026, increasing the existing rate from 4.87% to 5.82%.

A tariff proposal for SIA "Rīgas ūdens" water utility services has been submitted to the PUC. It foresees a tariff increase of EUR 0.33/m³ effective from December 1, 2025. The increase is intended to cover expenses related to the renovation of the city's water supply and sewerage pipelines.

Tariffs for water Management services from 1 January 2025 (without value added tax):



Water supply
service
tariff



Sewerage
service
tariff



Wastewater
treatment
service
tariff

Overall, tariffs increased by 1.7% and amount to EUR 2.83 (VAT included).

At the meeting of the Public Utilities Commission (PUC) Council on October 30, the water utility service tariff project submitted by SIA "Rīgas ūdens" was approved. It provides for a tariff increase of EUR 0.33/m³ (excluding VAT) starting from December 1, 2025.



Management report

Bond Issuance in May 2025

Oversubscription and Broad Investor Participation Confirm the Success of the Transaction

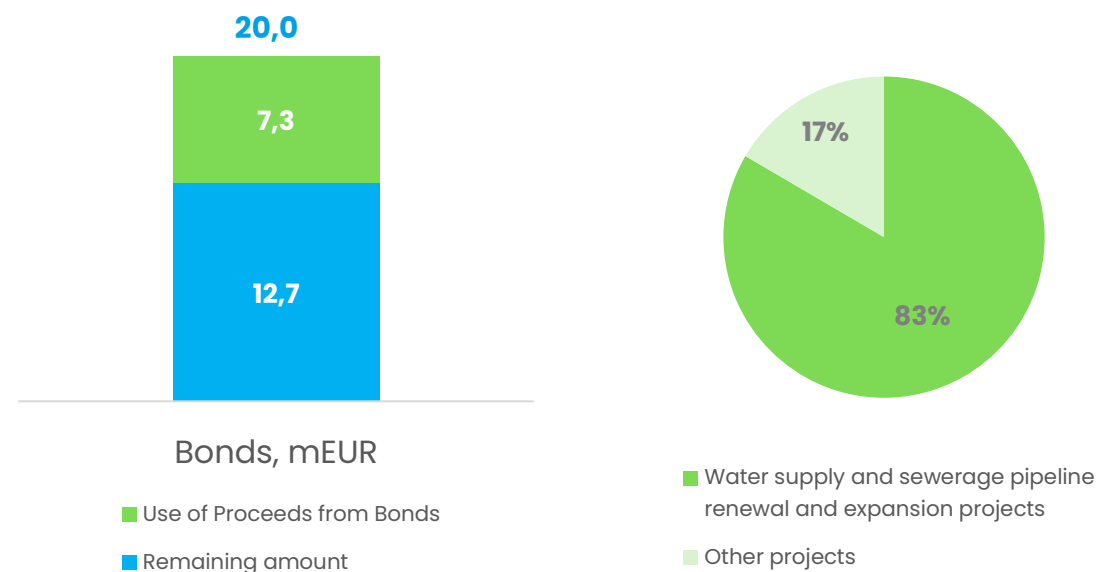
By launching its first public European green bond offering to investors in the Baltics, SIA "Rīgas ūdens" successfully raised EUR 20 million. The company attracted 228% of its targeted bond issuance amount, with total demand reaching EUR 45.5 million—significantly exceeding the planned EUR 20 million.

Strong demand was driven by institutional investors, who accounted for approximately 85% of the total demand (EUR 38.5 million). More than 25 institutional investors participated, including the Nordic Investment Bank, asset managers, banks, and insurance companies.

Private investor demand amounted to EUR 7 million, representing 15% of the total.

Each bond has a nominal value of EUR 100, an annual interest rate of 4%, with coupon payments made quarterly. The bonds have a maturity period of 5 years.

The bonds were listed on the Nasdaq Riga regulated market on June 5, 2025 — one day after the issuance date.



During the 9-month period, EUR 6,1 million, or 83% of the total EUR 7,3 million bond proceeds for the period, were used for water supply and sewerage pipeline renewal and expansion projects. The remaining 17% were allocated to other investment projects.

Management report

Approval of Audit Committee Members

On 29 August 2025, the shareholders' meeting adopted a resolution approving the members of the Audit Committee of SIA 'Rīgas ūdens.

The bonds issued by SIA Rīgas ūdens were listed on the NASDAQ Baltic regulated market. Accordingly, in line with the requirements of the Financial Instruments Market Law, the company, as a stock exchange participant, is obliged to establish an Audit Committee.

As a result of an open competition organized by the shareholder, Gundars Ruža and Juris Lapše were appointed as members of the Audit Committee. The Supervisory Board of SIA Rīgas ūdens delegated its Chairman, Dace Ljusa, to serve on the Audit Committee. On 14 October 2025, a resolution was adopted assigning the roles within the Audit Committee: Juris Lapše as Chairman and Gundars Ruža as Deputy Chairman.

Juris Lapše is a finance and audit professional with over 30 years of international experience in corporate governance and the audit sector. He is a certified auditor and a long-standing partner at the international audit and consulting firm PricewaterhouseCoopers, where he led projects in 12 countries, including for companies listed on the London, Warsaw, and Riga stock exchanges. Lapše has served as a member of the Supervisory Board and Audit Committee at the State Ltd. Paula Stradiņa Clinical University Hospital' and JSC Latvijas Gāze. He holds a master's degree in economics and is qualified to provide assurance on sustainability reports.

Gundars Ruža is a finance and business management professional with more than 30 years of experience in corporate governance, auditing, and strategic development. He has held senior positions in major companies and their governing bodies, including the LPKS Latraps group and JSC Latvenergo. Previously, he worked in management roles at Møller Auto Baltic, Ernst & Young Baltic, and Arthur Andersen, covering financial management, restructuring, and audit practices. He holds a master's degree in international law, an economist's diploma in accounting, and is a certified auditor.

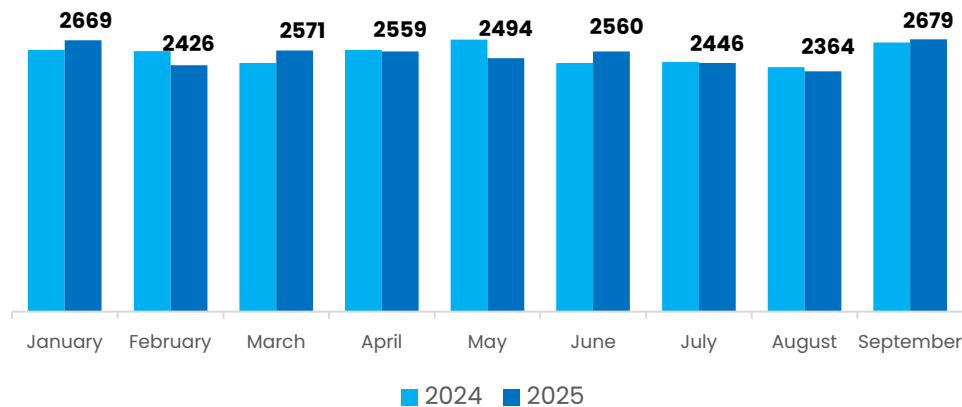
Dace Ljusa has been a member of the Supervisory Board of SIA Rīgas ūdens since 2020 and Chair of the Board since 2023, with responsibility for financial matters, audit, risk management, and internal control systems. She has extensive experience in corporate governance and the public financial sector, including serving on boards and management bodies, as well as working in public administration. Ljusa is a member of the Council of Vidzeme University of Applied Sciences and holds a master's degree in social sciences and a master's degree in engineering in automated control system design.

The establishment of the Audit Committee of SIA Rīgas ūdens is in line with the OECD Principles of Good Corporate Governance and the recommendations of the Baltic Institute of Corporate Governance.

Management report

Volume of water supply and sewerage services provided during the reporting period

Water supply services, thousand m³



Water supply services remained largely consistent compared to the corresponding period in 2024.

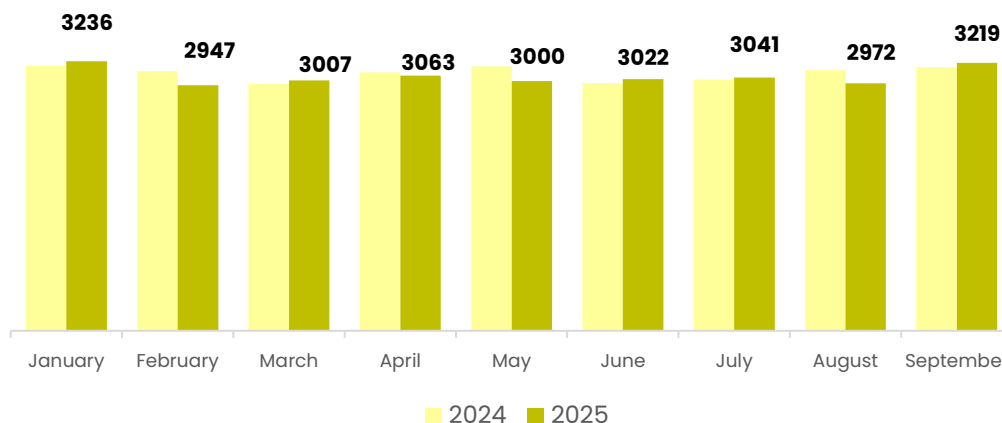


- 0,14%

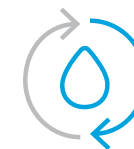
Compared to 9M 2024

Water supplied
during the nine-month period
22 768 thousand m³

Sewerage services, thousand m³



Sewerage services remained largely consistent compared to the corresponding period in 2024.



- 1,15%

Compared to 9M 2024

Sewerage services
volume
during the nine-month period
27 506 thousand m³

Management report

Accessibility



13,7 km

Renovated Water and
Sewerage Pipelines



1,1 km

New Water Supply and
Sewerage Pipelines
Constructed

Major water Supply and Sewerage Renewal Projects:

- Rehabilitation of pressure sewer pipelines using lining method on Mūkusalas Street, Riga.
- Repair works of the household sewer system in Uzvaras Park.
- Rehabilitation of two primary settling tanks and one secondary settling tank at the Daugavgrīva biological treatment plant, Dzintara Street 60, Riga.

New networks have been constructed to increase service availability:

- In the Ziepniekkalns area: 0,79 km of sewer pipelines and 0,26 km of water supply pipelines.
- In the Jugla area: 0,03 km of sewer pipelines and 0,05 km of water supply pipelines.

Key Business Developments

New Customers in the First 9 Months of 2025:

- 784 residents connected to the centralized sewerage system,
- 241 residents connected to the centralized water supply system,
- Support provided to 357 owners of 229 properties for obtaining Riga City Council funding,
- 1,053 new client portal users (89% of customers).

Customer Service Activities:

- To ensure water quality, 228.8 km of water pipelines were flushed,
- Customer satisfaction rate of 83% following direct interaction with the Customer Service Center.

Accessibility in Mangaļsala:

In 2022, the Riga City Council adopted a decision to reduce the share of dividends payable to the municipality in order to implement the Mangaļsala water supply project, ensuring centralized service availability for more than 730 residents.

Project status – the construction project has been submitted for approval, and the construction procurement is planned to begin in December this year.

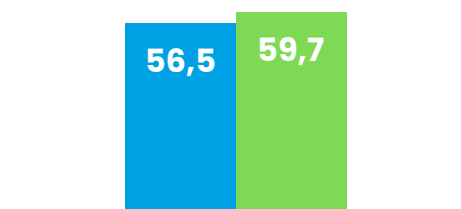
The construction is planned to be carried out over a period of 3 years.

Reconstruction of the methane tank park:

On August 13, 2025, a contract was signed with SIA Industry Service Partners for the reconstruction of the methane tank park at WWTP “Daugavgrīva”, with a total value of euro 54,7 million.

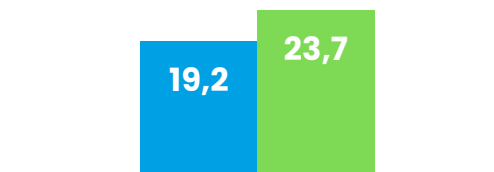
Management report

Financial performance summary



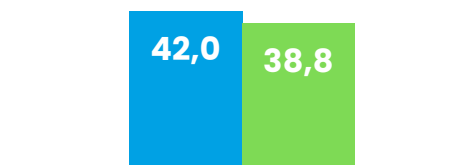
Revenue, mEUR

■ 2024 9 months ■ 2025 9 months



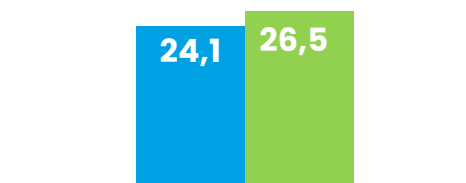
EBITDA, mEUR

■ 2024 9 months ■ 2025 9 months



Operating expenses, mEUR

■ 2024 9 months ■ 2025 9 months

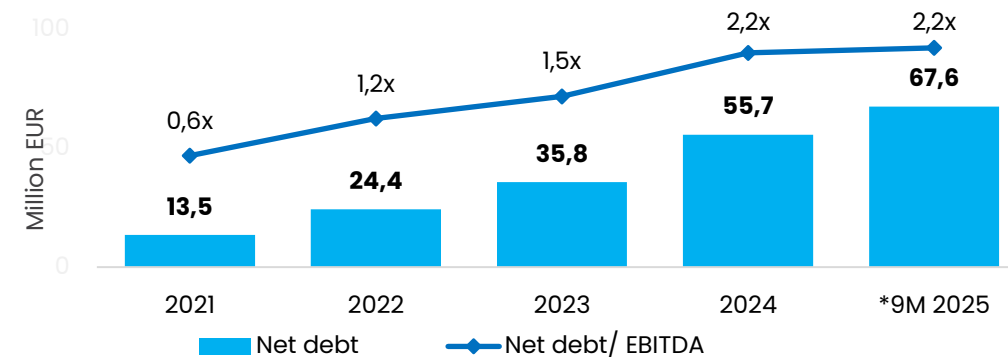


Investments, mEUR

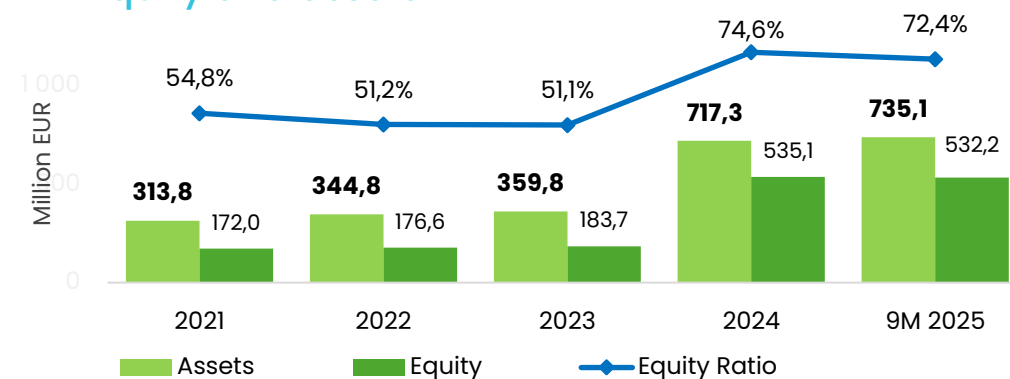
■ 2024 9 months ■ 2025 9 months

Key financial indicators

Net Debt and Net Debt Ratio



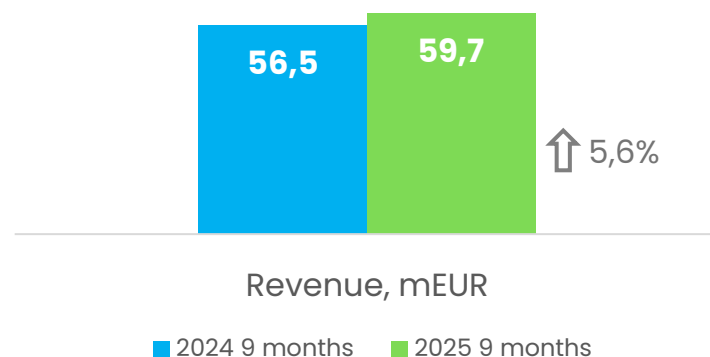
Equity and assets



**For the 9-month performance indicators, the EBITDA formula is based on last 12-month rolling basis and includes the following components: Profit before tax, interest expenses and similar costs, Depreciation of right-of-use assets, Depreciation and amortization of fixed assets*

Management report

Revenue



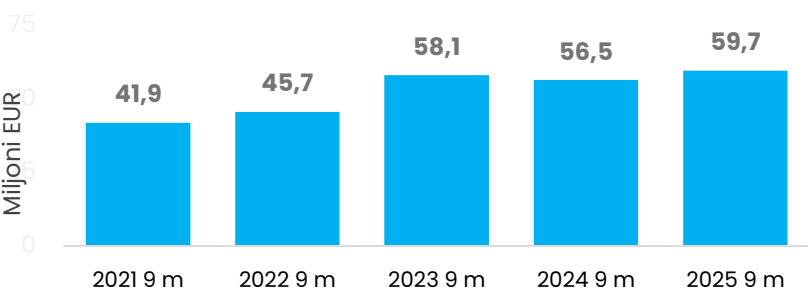
In the first 9 months of 2025, revenue has increased, mainly due to the rise in water utility service tariffs effective from January 1, 2025.

Revenue from services provided in the Greater Riga area amounted to EUR 2,1 million in the first 9 months of 2025, of which 88% came from sewerage services.

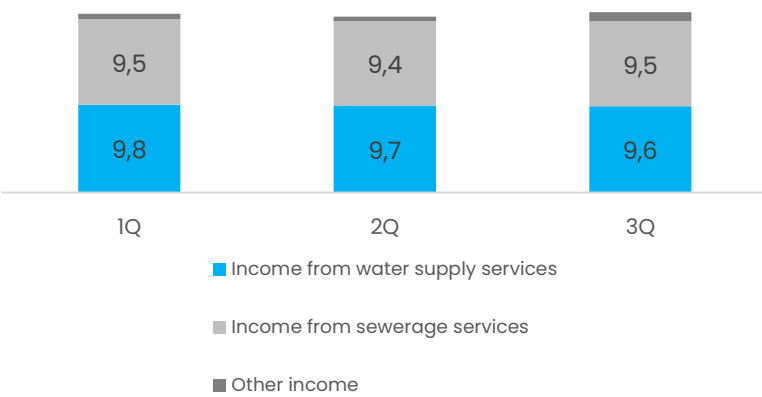
Other income is generated from the maintenance of public water taps funded by the Riga City Municipality and the construction of new service connections.

Key financial indicators

Revenue development by reporting periods

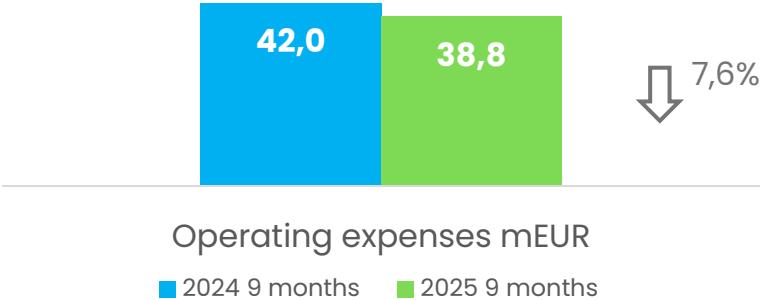


Revenue development by quarters



Management report

Operating expenses

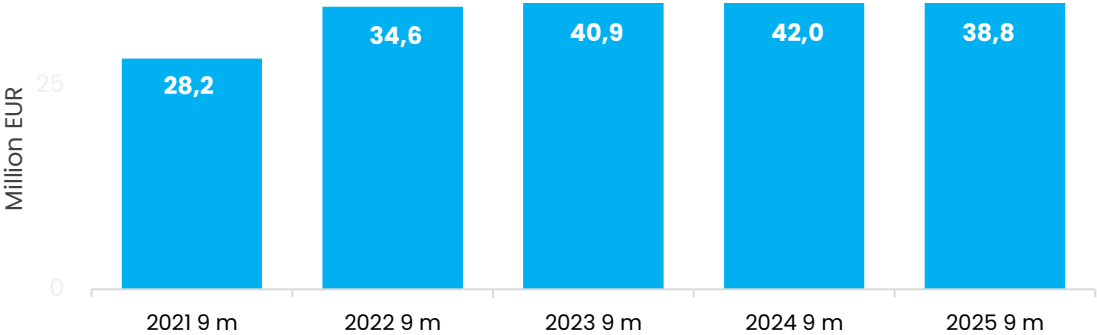


The cost reduction is mainly related to changes in the accounting of water and sewer pipeline repair costs, increasing the proportion of capitalized expenses, as well as a decrease in electricity costs.

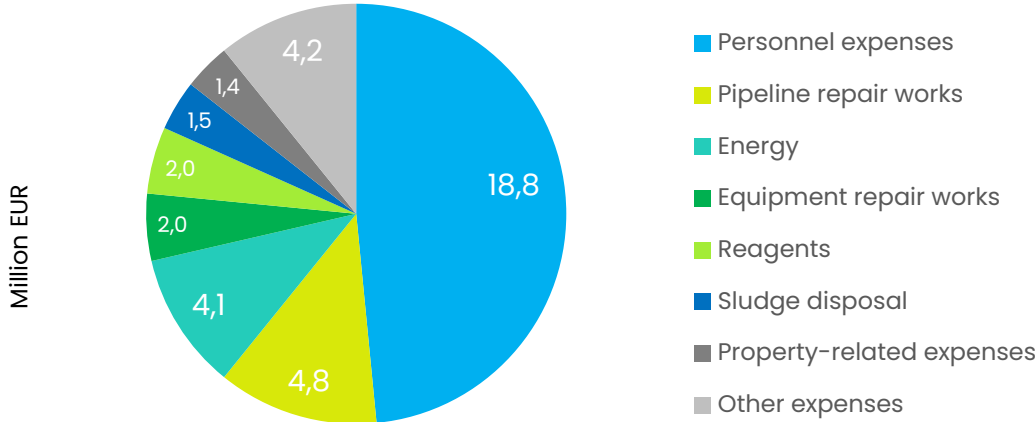
The main cost categories include raw materials and supplies, including network repair works, property maintenance, repairs and equipment servicing, energy costs, procurement of reagents, sludge disposal, as well as personnel expenses and other operating costs.

Key financial indicators

Cost development by reporting periods



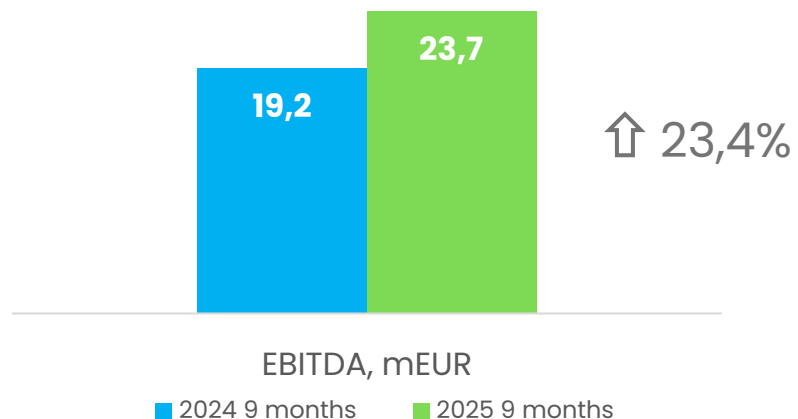
Cost structure



Management report

Core operating performance

Earnings before Interest, Taxes, Depreciation, and Amortization

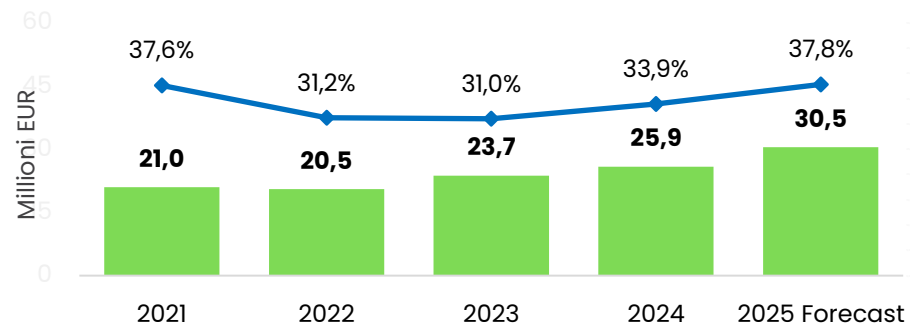


The increase in EBITDA is primarily attributed to higher revenue from water utility services and a reduction in production costs.

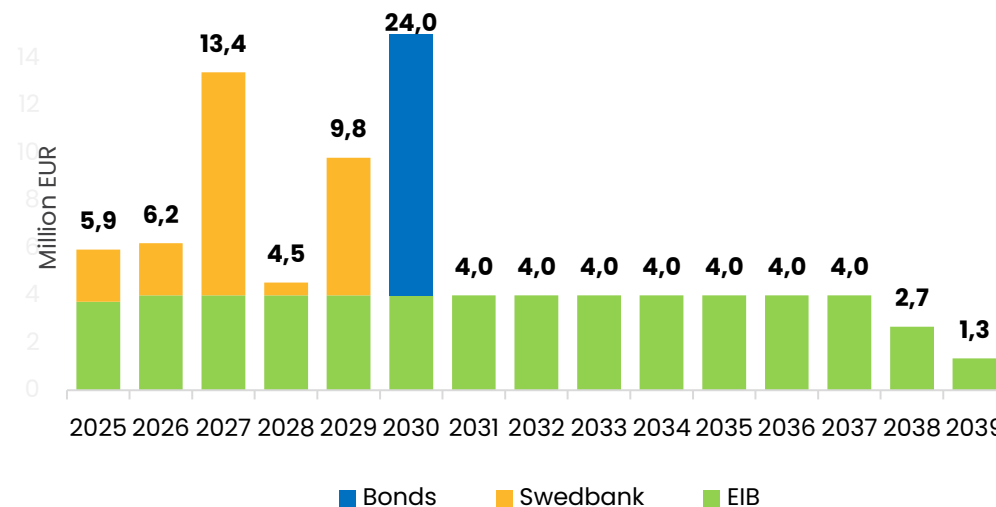
The company's EBITDA margin for the first nine months of 2025 reached 39.7%, providing a sufficient buffer for servicing financial obligations and implementing planned investment projects.

Key financial indicators

EBITDA and EBITDA margin development trends over time

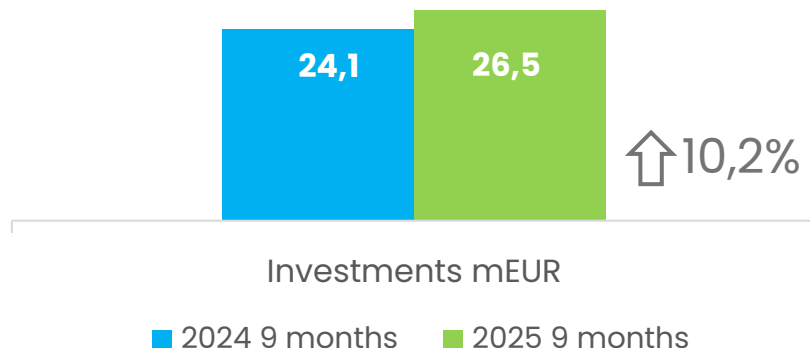


Repayment schedule for existing long-term loans



Management report

Investments



The increase compared to the corresponding period in 2024 is mainly related to investments in wastewater treatment program projects.

Financing Liquidity

Rīgas ūdens finances its investment projects through a combination of internal resources and long-term debt.

Available and unused Credit Limits:

- EIB long-term financing: 70 000 000 EUR,
- Swedbank AS long-term financing: 7 000 000 EUR,
- Bond amount: 12 659 768 EUR

Key financial indicators

Key Investment Areas:

- 13.7 km of water and sewer pipelines renovated,
- Renovation of primary and secondary sedimentation tanks at the Daugavgrīva Wastewater Treatment Plant.
- Reconstruction of the 2500x1800 mm sewer collector in Uzvaras Park.

Bond utilization amounts to €7.3 million. Major projects:

- Expansion of water supply and sewerage networks on Slēpotāju, Krosa, Tramlīna, Silciema, and Biatlona Streets – EUR 795,9 thousand,
- Reconstruction of the 2500x1800 mm sewer collector in Uzvaras Park – EUR 994,7 thousand,
- Renovation of sewerage networks beneath the Rīga-Ķekava bicycle path – EUR 3,011,3 thousand.

Comprehensive Income statement

		01.01.2025– 30.09.2025	01.01.2024– 30.09.2024
Operating revenue	1	59 680 664	56 532 921
Other operating income		2 792 493	4 622 064
Raw materials and supplies		(18 038 887)	(21 343 530)
Personnel expenses		(18 833 694)	(19 018 836)
Other operating expenses		(1 912 016)	(1 595 973)
EBITDA		23 688 560	19 196 646
Depreciation and amortization of non-current assets	2	(21 183 442)	(12 429 201)
Operating profit		2 505 119	6 767 446
Financial income		175 119	190 796
Financial expenses		1 946 350	1 293 136
Profit before tax		733 888	5 665 106
Corporate income tax		8 702	
Profit (loss) for the reporting year		725 186	5 665 106
Income from revaluation of non-current assets		-	
Decrease in value of revalued assets		-	
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		-	
Total comprehensive income for the reporting year		725 186	
<i>Included in the reserve</i>		<i>(10 683 009)</i>	
In the retained earnings		11 408 195	5 665 106



Balance sheet

Assets		30.09.2025	31.12.2024
Long-term investments			
Intangible assets		782 914	754 354
Fixed assets	4	691 826 574	688 379 459
Right-of-use assets		1 147 074	775 716
Other loans and long-term receivables		-	-
Total Long-term investments		693 756 562	689 909 529
Current assets			
Stocks		2 770 837	2 628 389
Receivables from contracts with clients		10 967 483	9 738 373
Other receivables		1 249 635	1 202 281
Next period costs		745 718	517 488
Deposit	5	7 996 147	8 787 275
Cash	5	17 032 478	3 938 190
Total current assets before non-current assets held for sale:		40 762 298	26 811 996
Non-current assets held for sale		531 245	531 245
Total current assets		41 293 543	27 343 241
Total assets		735 050 105	717 252 770

Liabilities		30.09.2025	31.12.2024
Equity:			
Share capital (fixed capital)		127 686 123	127 686 123
Long-term asset revaluation reserve		331 947 480	342 630 489
Retained earnings		72 597 813	63 707 026
Total equity:		532 231 416	534 023 638
Creditors:			
Long - term creditors:			
Borrowings from credit institutions	6	65 865 286	62 442 922
Bonds	7	20 000 000	-
Lease liabilities		1 081 975	622 943
Trade payables		1 996 476	1 841 889
Provisions		1 453 003	1 291 130
Next period income	8	87 057 127	85 648 327
Total long-term creditors:		177 453 867	151 847 211
Short-term creditors:			
Borrowings from credit institutions	6	6 219 764	5 648 335
Accrued interest on borrowings from credit institutions		529 821	285 610
Lease liabilities		112 933	195 868
Advance payments received from customers		1 917 140	3 180 404
Trade payables		2 909 519	4 560 494
Taxes, state social insurance contributions		2 173 143	2 082 613
Other creditors		1 140 254	1 181 313
Next period income	8	2 493 556	3 711 722
Accrued liabilities		6 387 195	8 785 469
Provisions		1 481 497	1 750 093
Total short-term creditors:		25 364 822	31 381 921
Total creditors:		202 818 689	183 229 132
Total liabilities		735 050 105	717 252 770

Seperate statement of changes in equity

	Share capital	Reserves	Retained arnings	Equity
	EUR	EUR	EUR	EUR
31.12.2023.	127 588 333	-	56 068 997	183 657 330
Contribution	97 790	-	-	97 790
Dividends	-	-	(753 331)	(753 331)
Total transactions with a shareholder and other changes recognised in equity	97 790	-	(753 331)	(655 541)
Loss for the reporting year	-		(18 274 569)	(18 274 569)
Revaluation of non-current assets	-	451 296 418	-	451 296 418
Impairment of revalued assets	-	(82 000 000)	-	(82 000 000)
Exclusion of revaluation reserve	-	(5 054)	5 054	-
Depreciation of the long-term asset revaluation reserve	-	(26 660 875)	26 660 875	-
Total comprehensive income	-	342 630 489	8 391 360	351 021 849
31.12.2024.	127 686 123	342 630 489	63 707 026	534 023 638
Dividends	-	-	(2 517 408)	(2 517 408)
Total transactions with owners and other changes recognized in equity	-	-	(2 517 408)	(2 517 408)
Profit for the reporting year	-	-	725 186	725 186
Revaluation of non-current assets	-	-	-	-
Impairment of revalued assets	-	-	-	-
Exclusion of revaluation reserve	-	-	-	-
Depreciation of the long-term asset revaluation reserve	-	(10 683 009)	10 683 009	-
Total comprehensive income	-	(10 683 009)	11 408 195	725 186
30.09.2025	127 686 123	331 947 480	72 597 813	532 231 416



Separate cash flow statement

I Operating cash flow

1. Profit / (loss) before corporate income tax

Corrections:

- a) Amortisation, depreciation, impairment of fixed assets and intangible assets, and profit or loss from exclusion
- b) Depreciation of right-of-use assets
- c) Amortization of co-financed fixed assets
- d) changes in provisions
- e) other interest and similar income
- f) interest payments and similar costs

2. Profit before adjustments for the effects of changes in the balances of current assets and liabilities

Corrections:

- a) (increase) or decrease in accounts receivable balances
- b) (increase) or decrease in balance of inventories
- c) increase or (decrease) in balances due to suppliers, contractors and other creditors

3. Gross operating cash flow

Expenses for corporate income tax payments

Expenditure on interest payments

Net operating cash flow

II Cash flow from investing activities

Acquisition of property, plant and equipment and intangible assets

Income from disposal of fixed and intangible assets

Interest received

Net cash flow from investing activities

III Cash flow from financing activities

Funding received from the Cohesion Fund

Borrowing received

Bonds

Borrowing repayment expenditure

Lease payments

Disbursed dividends

Net cash flow from financing activities

IV Net cash flow for the reporting year

V Balance of cash and cash equivalents at the beginning of the reporting year

VI Balance of cash and cash equivalents at the end of the reporting year

01.01.2025–
30.09.2025.

01.01.2024–
30.09.2024

725 186	5 669 737
20 906 967	12 313 718
154 628	
(2 060 392)	
(106 723)	(1 465 003)
(175 119)	(190 801)
1 738 206	1 256 534
21 182 753	17 584 186
(1 504 694)	(234 199)
(142 448)	407 170
(5 039 509)	(5 441 779)
14 496 102	12 315 378
(8 702)	
(1 701 508)	(1 250 757)
12 785 892	11 064 621
(22 010 394)	(23 496 802)
26 048	
175 119	190 801
(21 809 227)	(23 306 001)
–	1 200 000
8 000 000	10 000 000
20 000 000	
(4 006 208)	(2 639 247)
(149 889)	
(2 517 408)	(753 330)
21 326 495	7 807 422
12 303 160	(4 433 958)
12 725 465	18 924 188
25 028 625	14 490 230



Appendix



1.,2.,5 Revenue, depreciation, revaluation reserve

	30.09.2025.	30.09.2024.
	EUR	EUR
1. Revenue		
Income from water supply services	29 145 662	27 593 284
Income from water supply services	28 434 342	26 783 179
Income from construction services	523 013	846 289
Other income from contracts with customers	1 577 647	1 310 169
total	59 680 664	56 532 921



	30.09.2025.	30.09.2024.
	EUR	EUR
2. Depreciation and amortization of long-term investments		
Depreciation and amortization	(21 037 510)	(12 281 787)
Depreciation of right-of-use assets	(145 932)	(147 413)
total	(21 183 442)	(12 429 201)

In 2024, the initial revaluation of the underground water utility infrastructure was carried out, and the depreciation of the revaluation reserve in the first-year amounts to EUR 26 660 875.

5. Revaluation reserve of long-term investments

Balance as of December 31, 2024	342 630 489
Revaluation of long-term investments	-
Impairment of revalued assets	-
Derecognition of revaluation reserve	-
Depreciation of revaluation reserve	(10 683 009)
Balance as of September 30, 2025	331 947 480

Income from the long-term revaluation reserve was recognized in the 4th quarter of 2024.

4.Fixed assets

Appendix

	Intangible assets	Land	Buildings and structures	Infrastructure assets – underground networks	Investments in leased PPE	Technological equipment	Other fixed assets and inventory	Construction in progress for PPE creation	Advance payments for PPE	Total
2025 9 months										
Initial value										
31.12.2024	4 574 219	17 641 451	144 775 120	693 517 582	1 114 082	51 100 007	17 225 214	18 181 794	1 340 589	949 470 058
Purchased	193 316		607 142	3 304 367		1 445 589	371 942	17 165 552	1 355 655	24 443 563
Capitalized loan interest								183 969		183 969
Excluded			(1 377 423)			(2 061 831)	(714 741)			(4 153 995)
Reclassified from construction of fixed assets			409 631	2 474 103		176 722		(3 060 456)		0
Reclassified from advance payments								1 489 621	(1 489 621)	0
Reclassified from/to engineering structures (underground networks) – capitalized depreciation				253 893						253 893
Reclassified from/to engineering structures (underground networks)			775 576	(775 576)						0
30.09.2025	4 767 535	17 641 451	145 190 046	698 774 369	1 114 082	50 660 487	16 882 415	33 960 480	1 206 623	970 197 488
Depreciation										
31.12.2024	3 819 865	396 908	95 579 756	113 353 685	970 431	35 367 349	10 798 190	50 061	-	260 336 245
Calculated depreciation	164 756		2 051 504	15 783 992	21 571	2 173 948	841 740			21 037 511
Depreciation of disposed fixed assets			(1 276 087)			(2 040 639)	(602 887)			(3 919 613)
Reclassified from/to engineering structures (underground networks)			23 427	(23 427)						0
Reclassified from/to engineering structures (underground networks) – capitalized depreciation							253 893			253 893
Impairment (provisions)							- 89 912			-89 912
30.09.2025	3 984 621	396 908	96 378 600	129 114 250	992 002	35 500 658	11 201 024	50 061	-	277 618 124
<i>including:</i>										
Accumulated depreciation	3 984 621		96 306 982	129 114 250	992 002	35 500 658	11 168 773			277 067 286
Impairment		396 908	71 618				32 251	50 061		550 838
Balance sheet value 31.12.2024	754 354	17 244 543	49 195 364	580 163 897	143 651	15 732 658	6 427 024	18 131 733	1 340 589	689 133 813
Balance sheet value 30.09.2025	782 914	17 244 543	48 811 446	569 660 119	122 080	15 159 829	5 681 391	33 910 419	1 206 623	692 579 364

5. Cash and cash equivalents

	30.09.2025. EUR	31.12.2024. EUR
Cash and cash equivalents		
Overnight deposit placements*	7 996 147	8 787 275
Cash in bank accounts, EUR	17 032 478	3 938 190
Cash in State Treasury account – for Cohesion Fund 6th round	–	–
	25 028 625	12 725 465

**Deposit placements consist of cash balances placed in short-term overnight deposits.*

Company's cash balances in banks according to credit ratings assigned by Moody's agency:

Credit rating	30.09.2025. EUR	31.12.2024. EUR
A3	–	–
A2	793 460	1 021 045
Aa2	7 996 147	–
Aa3	15 754 412	10 826 884
Baa1	484 606	877 536
Baa2	–	–
	25 028 625	12 725 465

6. Borrowings from credit institutions

	30.09.2025. EUR	31.12.2024. EUR
Loan from EIB with a repayment term of 2–5 years*	16 055 085	13 769 370
Loan from EIB with a repayment term after 5 years*	33 493 410	30 702 266
Loan from AS Swedbank with a repayment term of 2–5 years**	16 316 791	17 971 286
Long-term	65 865 286	62 442 922
Loan from EIB – short-term*	4 013 771	3 442 342
Loan from AS Swedbank – short-term**	2 205 993	2 205 993
Accrued interest	529 821	285 610
Short-term	6 749 585	5 933 945
	72 614 871	68 376 867

*On 16 June 2022, the Company entered into a long-term loan agreement with the European Investment Bank (EIB) for a loan of EUR 60 million. The loan can be drawn in tranches, and the repayment term as well as the interest rate for each tranche are determined individually. At the end of the reporting period, the outstanding principal amount of the loan was EUR 54 192 807.

**On 6 April 2022, the Company entered into a loan agreement with AS Swedbank with a repayment term until 6 April 2027 for EUR 15 million. The loan is repayable according to a schedule starting from the thirteenth month after the conclusion of the loan agreement, and the schedule is based on a 10-year amortization method. According to the schedule, the unpaid remaining amount is to be repaid on the final repayment date in April 2027. The outstanding loan balance at the end of the reporting period was EUR 11 388 889.

On 27 September 2024, a new agreement was concluded with AS Swedbank for a long-term loan of EUR 15 million, of which EUR 8 million was drawn during the reporting period. The repayment schedule is based on a 15-year amortization method, and the unpaid remaining amount is to be repaid on the final repayment date in September 2029. The outstanding loan balance at the end of the reporting period was EUR 7 685 393.

Under the agreement, additional financing of EUR 7 million is available, which is planned to be drawn in November 2025.

Additionally, on 25 September 2024, the Company entered into an agreement with OP Corporate Bank plc Latvian branch for a credit line of EUR 5 million. As of the end of the reporting year, this credit line has not been utilized.

The Company's existing loan agreements do not require collateral; however, the agreements set certain restrictions and require compliance with specific financial covenants. Additionally, the agreements impose limitations on transactions that require prior written consent from the bank (including certain profit distribution limits, reduction of share capital, pledging of assets, and others). All specified financial covenants and restrictions were complied with during the reporting year and as of the end of the reporting year.

7., 8. Bonds and deferred income

7. Bonds

By launching its first public offering of European green bonds to investors in the Baltics, SIA "Rīgas ūdens" has successfully raised EUR 20 million. Rīgas ūdens attracted 228% of the bond issuance target, with total demand reaching EUR 45.5 million, significantly exceeding the planned EUR 20 million.

The nominal value of each bond is EUR 100, the annual interest rate is 4%, with coupon payments made quarterly. The bond maturity term is 5 years.

Interest is paid on March 4, June 4, September 4, and December 4 of each year.

The bonds will be redeemed at their full nominal value on 4 June 2030.

Detailed information about the bond issuance is available on the SIA "Rīgas ūdens" website: <https://www.rigasudens.lv/en/bonds>

8. Deferred income

	Balance 30.09.2025.	Received 01.01.2025. 30.09.2025.	Recognized as income 01.01.2025.- 30.09.2025.	Balance 31.12.2024.
Cohesion Fund co-financing	70 024 922	-	(1 557 459)	71 582 381
Value of fixed assets received free of charge from Latvian entities	5948595	-	(114 370)	6 062 965
Other deferred income	13 577 166	2 250 718	(388 255)	11 714 703
	89 550 683	2 250 718	(2 060 084)	89 360 049
Including:				
- short-term	2 493 556			3 711 722
- long-term	87 057 127			85 648 327

For the 5th and 6th rounds of Cohesion Fund co-financing, a requirement has been set to ensure that the outcome indicator value reaches at least 65% of the value planned in the project during the post-monitoring period, but no later than 31 December 2028. The Company assesses that there are no risks of non-compliance with the agreements related to the received funding.

9.Dividends

9. Dividends paid

According to point 2 of the Riga City Council decision No. 691 of 16 June 2021 “On dividends in capital companies where Riga City Municipality has decisive influence,” the minimum forecasted share of profit to be paid as dividends is 40% of the capital company’s annual profit, unless a separate Riga City Council decision has been adopted specifying a different share of profit to be paid as dividends.

On 29 January 2025, the Riga City Council adopted a decision “On a different share of SIA ‘Rīgas ūdens’ profit to be paid as dividends for the period from the 2024 to 2030 reporting years,” stipulating that 30% of the Company’s 2024 profit is to be paid as dividends. Of this, 20% of the 2024 reporting year’s profit paid as dividends will be allocated by the Riga City Municipality to continue co-financing programs for connecting real estate to the centralized water supply system or the centralized sewerage system.

Point 3 of the decision stipulates that the representative of the holder of SIA “Rīgas ūdens” capital shares must ensure that the portion of profit not paid as dividends for 2024, amounting to 10% of the total annual profit, is allocated for the implementation of the Mangaļsala wastewater agglomeration water management system development project, and that the portion of profit not paid as dividends for 2025, 2026, 2027, 2028, 2029, and 2030, amounting to 30% of each year’s total annual profit, is allocated for the development of centralized water supply and sewerage systems in Dārziņi.

In accordance with the Riga City Council decision No. 691 of 16.06.2021 “On dividends in capital companies where Riga City Municipality has decisive influence,” the Riga City Council decision No. RD-25-4256-lē of 29.01.2025 “On a different share of SIA ‘Rīgas ūdens’ profit to be paid as dividends for the period from the 2024 to 2030 reporting years,” and the decision of the Company’s shareholders’ meeting, the Company distributed and paid dividends amounting to 30% of the 2024 profit, or EUR 2 517 408.

10. Transactions with other companies

Riga City Municipality's capital companies and institutions – related parties

By 30 September 2025, the Company issued invoices for services provided to other capital companies of the Riga City Municipality as follows:

- To the residential building manager – in the amount of EUR 16 085 thousand (2024: EUR 20 706 thousand);
- To other capital companies and institutions – in the amount of EUR 2 869 thousand (2024: EUR 3 667 thousand).

By 30 September 2025, the receivables from municipal capital companies and institutions amounted to EUR 4 438 thousand, including receivables from the residential building manager of EUR 4,018 thousand (31 December 2024: EUR 4 023 thousand, including receivables from the residential building manager of EUR 3 687 thousand).

By 30 September 2025, the Company paid invoices for services received from Riga City Municipality enterprises and capital companies in the total amount of EUR 1 043 thousand (including VAT) (2024: EUR 2 280 thousand, including VAT).

By 30 September 2025, the Company's payables to municipal enterprises and institutions amounted to EUR 157 thousand (31 December 2024: EUR 108 thousand).



Management report

Events and circumstances after the reporting period

Changes in the composition of the Supervisory Board

At the shareholders' meeting of SIA "Rīgas ūdens" held on 17 October 2025, a decision was made to appoint Māris Kleinbergs as the third member of the Supervisory Board, with expertise in the company's core activities — provision of water management and other engineering system services. The term of authorization is 5 years.

The member of the Supervisory Board of SIA "Rīgas ūdens" was selected through a public candidate application procedure. Applications were received from 13 candidates. The Nomination Commission carried out the candidate evaluation in three rounds, involving a recruitment consultant in the process. As a result of the selection process, the candidate who received the highest total score across all three evaluation rounds.

Currently, Māris Kleinbergs also holds the position of Head of the Mineral Materials Production and Sales Department at VAS "Latvijas autoceļu uzturētājs". In his previous experience, Mr. Kleinbergs has served as Chairman of the Supervisory Board of SIA "Rīgas ūdens" (from 08.09.2020 to 25.02.2023), as Chairman of the Management Board of VAS "Latvijas dzelzceļš", and as Chairman of the Management Board of SIA "SCHENKER".

Māris Kleinbergs holds a professional master's degree in engineering sciences, specializing in mechanical engineering, from Riga Technical University.

Water and sewerage service tariffs from 01.12.2025.

At the meeting of the Public Utilities Commission (PUC) on 30 October, the water and sewerage service tariff proposal submitted by SIA "Rīgas ūdens" was approved. The new tariff, effective from 1 December 2025, includes an increase of EUR 0.33/m³ (excluding VAT). The increase is necessary to renovate and maintain the water supply and sewerage networks, a significant portion of which has exceeded its planned service life.

As of 1 December, the tariff in Riga is set at EUR 2.67/m³ (excluding VAT). This is an increase of EUR 0,33 compared to the current rate and will result in an indicative monthly cost increase of EUR 2,60 for a household in a multi-apartment building. After the tariff increase, the total cost of water supply services will amount to less than 1% of average household income.

Water and sewerage service tariffs from 01.12.2025 (excluding VAT):



Water supply
service
tariff



Sewerage
service
tariff



Wastewater
treatment
service
tariff

Statement of Management Responsibility

The Management Board of SIA "Rīgas ūdens" confirms that the unaudited interim financial statements have been prepared in accordance with the requirements of the applicable regulatory enactments and provide a true and fair view of the results for the nine-month period of the 2025 financial year (01.01.2025–30.09.2025).

The Management Report and the financial statements reflect the achievements during the reporting period, both in business operations and in financial indicators. In making financial decisions, due consideration was given to accounting policies compliant with regulatory requirements, the going concern principle, the principles of cooperation between cooperative societies, as well as good corporate governance practices.