

Press Release
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A confident debut on the capital market — demand for “Rīgas ūdens” bonds more than twice exceeded the offer

“Rīgas ūdens” has successfully raised EUR 20 million with a fixed annual interest rate of 4% and a 5-year maturity in its first public European Green Bond offering. Investor demand from both institutional and retail investors reached EUR 45.5 million — representing 228% of the initial issuance target.

This issuance marks a significant milestone — “Rīgas ūdens” is the first municipal enterprise in Latvia that has raised funding through the capital markets, and also the first company in Northern Europe to issue bonds in line with the European Green Bond Standard (EuGB).

The European Green Bonds issued by “Rīgas ūdens” drew strong demand from institutional investors, securing a stable and diverse base of investors from across the Baltics. More than 25 institutional investors participated in the offering, including the Nordic Investment Bank, asset management companies, banks, and insurance firms, contributing a total investment of EUR 38.5 million.

Retail investors subscribed to “Rīgas ūdens” bonds for a total amount of EUR 7 million. Notably, 92% of the demand from retail investors came from Latvia, highlighting both the growing development of the local retail investor community and the increasing interest in allocating personal savings to debt securities.

By volume, approximately 85% of the total demand came from institutional investors, while 15% was contributed by retail investors. The first listing and trading day on the official bond list (the Baltic Bond List) of Nasdaq Riga is expected to be 5 June.

Krišjānis Krūmiņš, Chairman of the Management Board of SIA “Rīgas ūdens”, comments:

“Our debut in the capital markets and the results achieved clearly validate the company’s strategic direction and demonstrate strong alignment with investor expectations. This is a moment to deliver ambitious projects and elevate Latvia’s presence, showing how we move forward through shared purpose and cooperation. I am sincerely grateful to every investor for their trust and support in making our ambitious infrastructure project a reality — it is a significant investment in the future of both “Rīgas ūdens” and our city.”

Edmunds Antufjevs, Head of Investment Banking at Signet Bank AS, adds:

“This clearly marks a defining moment for Latvia’s capital market — Baltic investors are ready to invest in municipal enterprises that are transparent, guided by a clear strategy, led by professional management teams, and driven by strong growth ambitions. We are truly pleased to see that “Rīgas ūdens”, as a municipal company, has demonstrated its readiness for the capital markets and, in its very first bond offering, has attracted substantial investor interest. The company chose to combine outreach to institutional investors — a typical approach for state-

owned enterprises — with a public offering open to any retail investor in the Baltics. This approach proved to be highly successful.”

As demand for the bonds significantly exceeded the issuance volume, the allocation to investors is made according to the principle of proportionality, aiming to establish a stable, diversified, and reliable investor base. The principles are as follows:

- 1) The issuer decided to grant full allocation to employees of SIA “Rīgas ūdens”.
- 2) Retail investors were allocated bonds in the amount of EUR 4 million, representing 20% of the total issue volume. The issuer decided to ensure full allocation for all retail investors whose investment did not exceed EUR 20,000, while the remaining available volume was distributed proportionally.
- 3) Institutional investors were allocated bonds totalling EUR 16 million or 80% of the total issue. Subscription orders were allocated on a proportional basis, with the average allocation amounting to 42% of the subscribed amount.

Bondholders will receive coupon (interest) payments on a quarterly basis, with the first coupon payment scheduled for 4 September 2025.

The proceeds from the first tranche of the European Green Bonds will be used for the renovation and expansion of the sewerage pipeline network, as well as the further modernization of “Daugavgrīva” — the largest biological wastewater treatment plant in the Baltics. Approved by the Bank of Latvia, the total bond programme amounts to up to EUR 60 million.

The arranger of the bond programme and dealer is Signet Bank AS, with ZAB COBALT SIA acting as the legal advisor to the issuer.

About SIA “Rīgas ūdens”

SIA “Rīgas ūdens” is the largest provider of water supply and sewerage services in Latvia, ensuring the delivery of high-quality drinking water, as well as the collection and treatment of wastewater in Riga and its vicinity — covering around 50% of the national market.

The company provides a full cycle of services — from water extraction and delivery to wastewater collection and treatment. Its infrastructure comprises 1,536 km of water pipelines, 1,282 km of sewerage networks, six water extraction stations, eight water pumping stations, five water reservoirs, 107 wastewater pumping stations, a water quality testing laboratory, and a biogas production facility.

The company's team includes 763 employees, of which approximately 44% are engineers and specialists, and 42% are technical and field staff responsible for maintenance and timely repairs of infrastructure (data at the end of 2024).

For further information

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