Rīgas ūdens Investor webinar

2026 / H1 interim results

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Presenters

Krišjānis Krūmiņš
Chairman of the
Management Board

Agnese Ozolkāja
Member of the
Management Board

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About the company

Rīgas ūdens provides essential water and wastewater services to around 50% of Latvia's market

2.837 km
Line network

A3
***Moody's* credit rating**
Stable outlook

>235M
Investment (2025-2028)

762
Employees

Regulated public service provider

>90km
Pipeline renovation (by 2030)

600,000+
Customers

Bonds listed on NASDAQ Baltic
2025

85%
Energy neutrality in BWTP (by 2030)

93%
Customer satisfaction rate

Owned by the Riga Municipality

-12.4%
Water loss by 2030 (Base in 2026)

98.04%

Centralised **water supply** service users in Riga

97.28%

Centralised **sewer system** users in Riga

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Integrated Water and Wastewater Operations

Drinking water production

Reliable drinking water supply

Water supply

Extensive utility network

Wastewater collection

Integrated collection infrastructure

Wastewater treatment

Climate and energy efficiency projects

Supporting efficiency, resilience and long-term value creation

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Key investment projects in 1H 2026

30.88% or EUR 72.57M

of the 2025–2028 capital expenditure programme delivered, with a strong project pipeline ahead.

Network rehabilitation

Delivered **8.0 km** of renovated pipeline networks, including 5.29 km of wastewater and 2.72 km of water supply network

Modernise critical infrastructure and strengthen climate resilience

Daugavgrīva BWTP modernization is progressing according to plan, with **36%** of the sludge digestion project completed and EUR 11.26 million invested

Renewable energy use

Commissioned two solar parks, with generation capacity 1.461 MWh of renewable electricity and increasing the share of self-produced renewable energy

Digitalisation

Expanded smart metering capabilities, with **more than 12%** of inlet meters equipped with remote reading devices - nearly 2,000 readings accepted automatically

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Looking ahead

1. Expand capital market financing

EUR 20m EuGB issued;
Next issuance of up to EUR 40m planned for Q4 2026 subject to market conditions

2. Network expansion

Launch of the Mangaļsala water supply and sewerage infrastructure project and Bukulti procurement results – Q3 2026

3. Continue advancing digital transformation and operational efficiency

Ongoing systems modernisation, process automation and data management

4. Strengthening operational resilience through regular business continuity testing

Maintain critical services during climate-related events, cyber incidents and other emergency situations

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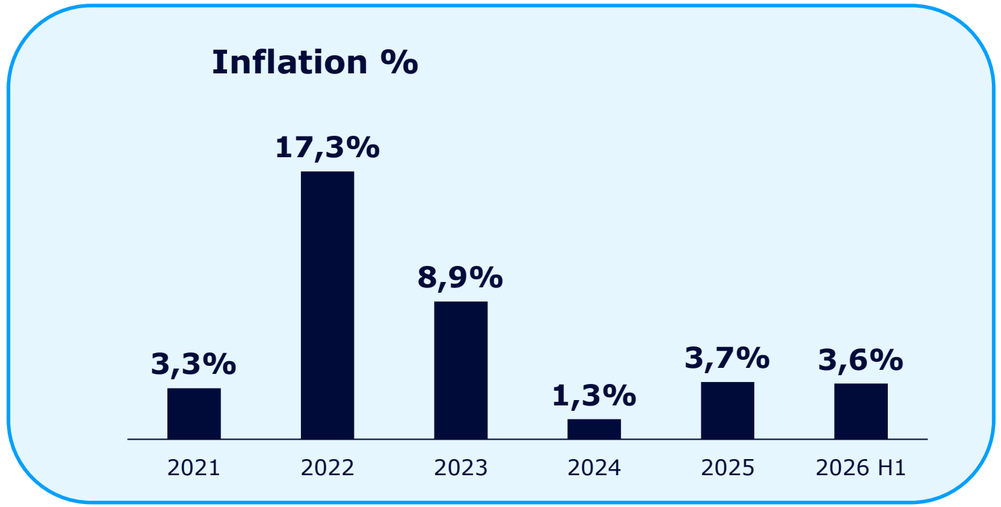
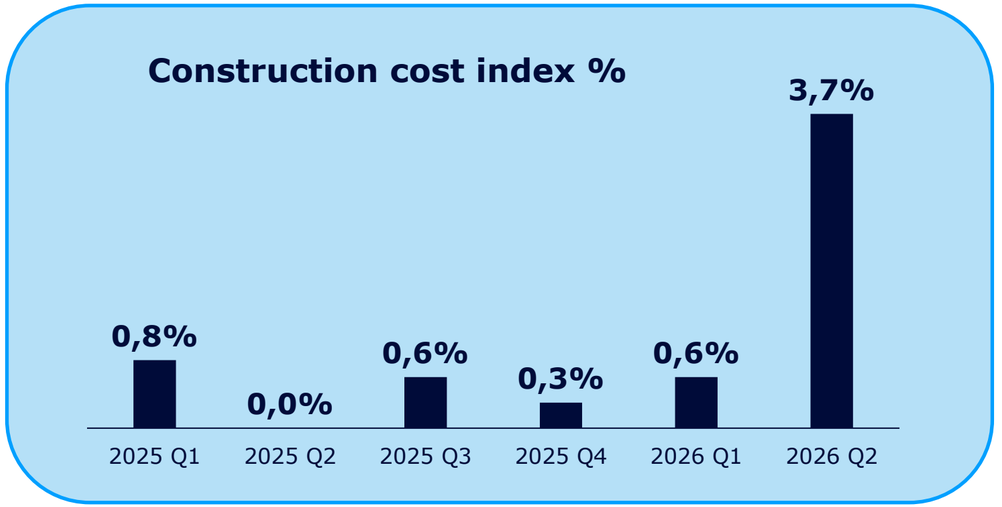
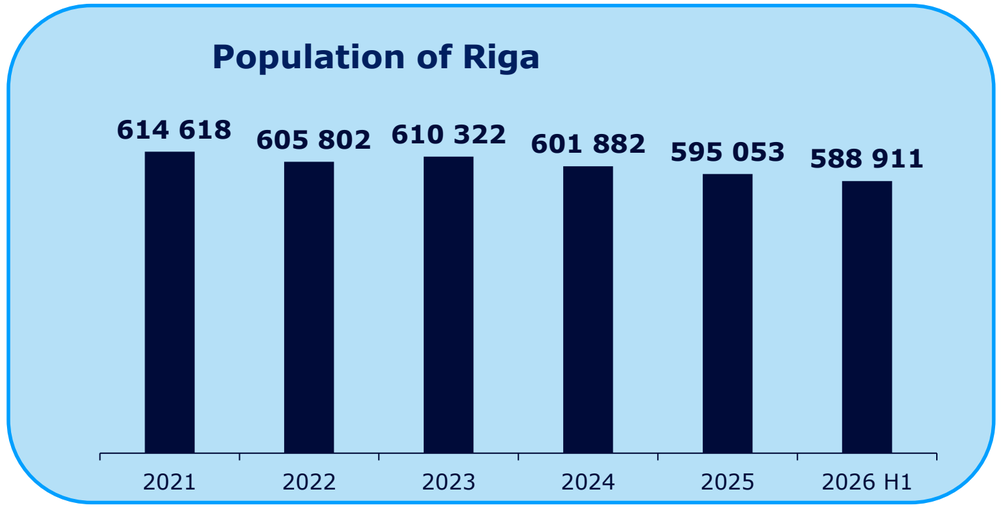
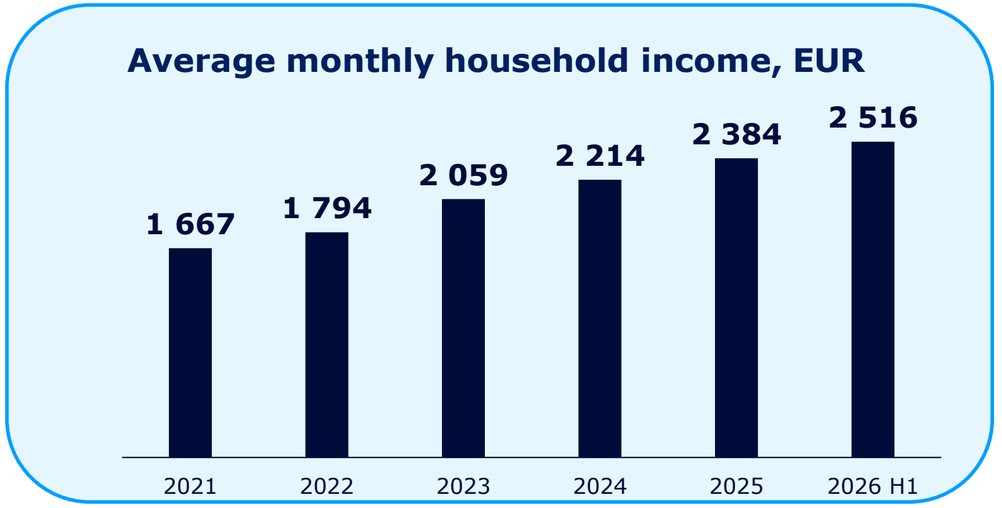
Financial performance

Key macroeconomic and social impact factors









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Key performance indicators H1 2026

Business results

+0.9 %

Change in the amount of water sold

15,279 thousand m³ in H1 2025

+0.6 %

Changes in sewerage services

18,275 thousand m³ in H1 2025

+ 115

New objects connected to centralized system

8 km

Renovated pipeline

8 km in H1 2025

+229

New service users

+ 495 in H1 2025

Financial results

+14.7 %

Change in revenue

compared to H1 2025

19.7

million EUR

EBITDA

EUR 15.7 million In H1 2025

2.6x

Net debt/EBITDA

2.1x In H1 2025

71.0 %

Equity ratio

72.4 % In H1 2025

24.1

million EUR

Investment

EUR 14.6 million In H1 2025

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Profit or loss statement

Profit or loss statement		2026 01.01.-30.06. EUR	2025 01.01.-30.06. EUR	Changes %
Revenue	1	45 448 350	39 633 606	+14.7 %
Other operating income	2	1 822 116	2 034 884	-10.5 %
Raw and other materials	3	(12 653 194)	(11 791 992)	+7.3 %
Staff costs	4	(13 101 617)	(12 793 722)	+2.4 %
Other operating costs	5	(1 791 049)	(1 334 336)	+34,2 %
EBITDA	6	19 724 605	15 748 439	+25.2 %
Non-current investment wear and depreciation	7	(14 301 055)	(14 092 887)	+1.5 %
Operating profits after value reduction		5 423 550	1 655 552	
Financial income		97 990	80 437	+21.8 %
Financial costs		(1 239 261)	(1 217 398)	+1.8 %
Profit/(loss) before tax	8	4 282 279	518 591	
Corporate income tax		-	-	
Profit/(loss) for the reporting year		**4 282 279**	518 591	

COMMENTS

1. **Revenue:** the increase is mainly associated with changes in tariff. Water consumption in Riga increased slightly. Water consumption in the Riga Metropolitan Area accounted for 1.2% of total water supplied, while wastewater collected outside Riga represented approximately 9% of total wastewater volumes
2. **Other operating income:** 65% consists of EU fund amortisation; the second-largest item is the charge for excessive wastewater pollution
3. **Cost of raw and other materials**: expenses increased due to a higher number of pipeline failures at the beginning of the year and increased sludge disposal costs.
4. **Staff costs**: no significant change, maintained similar number of employees
5. **Other operating costs**: the increase was mainly driven by higher IT-related expenses, research and development activities, and the implementation of remote reading solutions for commercial metering devices.
6. **EBITDA**: The increase was driven by strict cost control and higher revenue compared to the previous year. EBITDA margin reached 40.2%.
7. **Depreciation**: no significant change.
8. **Profit**: The reporting period ended with a profit, reflecting normalized profitability, compared to the previous year, which was impacted by asset revaluation.

Balance sheet

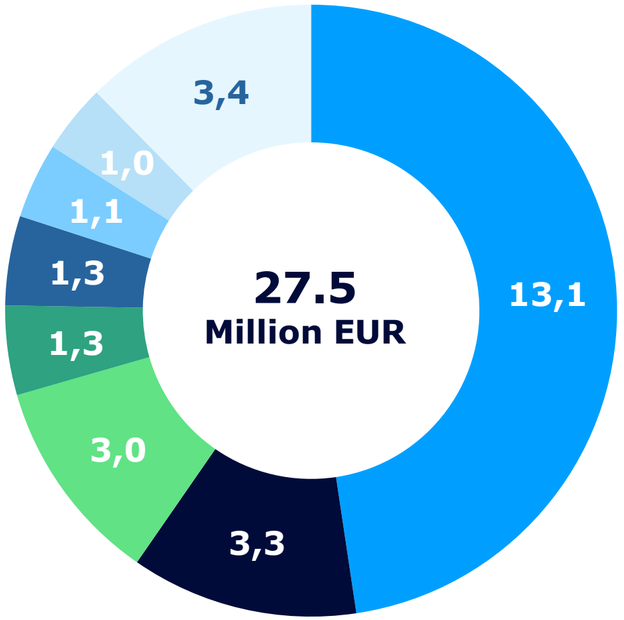
Active	30.06.2026 EUR	31.12.2025 EUR
Long-term investments		
Intangible investments	879 946	838 003
Fixed assets	720 831 896	710 179 058
Right-of-use assets	1 187 173	1 246 503
Other long-term investments	354 058	99 829
Total long-term investments:	**723 253 073**	**712 363 393**
Current assets		
Stock	2 973 275	2 920 540
Receivables from contracts with clients	12 172 380	11 423 751
Other receivables	1 047 931	1 203 453
Deferred costs	1 323 230	614 646
Cash	14 565 008	23 620 519
Total current assets	**32 081 824**	**39 882 738**
Total assets	**755 334 897**	**752 146 302**

Liabilities	30.06.2026 EUR	31.12.2025 EUR
Equity:		
Share capital (fixed capital)	127 686 123	127 686 123
Non-current investment revaluation reserve	320 666 657	327 980 524
Retained profit	87 967 196	76 430 102
Total equity:	**536 319 976**	**532 096 749**
Payables:		
Long-term payables:		
Bonds and loans from credit institutions	88 570 799	90 389 249
Lease liabilities	926 053	1 045 347
Advance payments received	2 246 635	2 246 635
Trade payables	2 734 558	2 178 666
Accruals	1 403 415	1 403 415
Deferred income	88 559 947	88 233 620
Other payables	116 593	92 257
Total long-term payables:	**184 558 000**	**185 589 189**
Short-term payables:		
Bonds and loans	15 928 668	7 179 101
Lease liabilities	318 972	257 387
Advance payments from clients	1 159 654	1 434 366
Trade payables,	3 789 651	4 626 987
Taxes, state social insurance contributions	2 385 536	2 063 572
Other payables	1 291 051	1 259 645
Deferred income	2 499 144	2 495 976
Accrued liabilities	5 389 233	13 545 881
Accruals	1 695 012	1 597 449
Total short-term payables:	**34 456 921**	**34 460 364**
Total payables:	**219 014 921**	**220 049 553**
Total liabilities	**755 334 897**	**752 146 302**

0.9	89.9	24.1
Current ratio	Million EUR Net debt	Million EUR Investments
1.9 In H1 2025	EUR 63.2 m In H1 2025	EUR 14.6 m In H1 2025

Operating expenses (OPEX) +6.3% YoY

Expenses increased due to a higher number of pipeline failures at the beginning of the year, increased sludge disposal costs, IT-related expenses, research and development activities, and the implementation of remote reading solutions for commercial metering devices.



Staff costs	YoY +2.4 % or EUR +0.3 million
Pipeline repairs	YoY +13.6 % or EUR +0.4 million
Energy costs	YoY +4.8 % or EUR +0.1 million
Equipment repairs	YoY +7.9 % or EUR +0.1 million
Reagents	YoY -3.5 % or EUR -0.05 million
Sludge disposal	YoY +15.0 % or EUR +0,15 million
Real estate costs	YoY -4.0 % or EUR -0.04 million
Other costs	YoY +21.8 % or EUR +0.6 million

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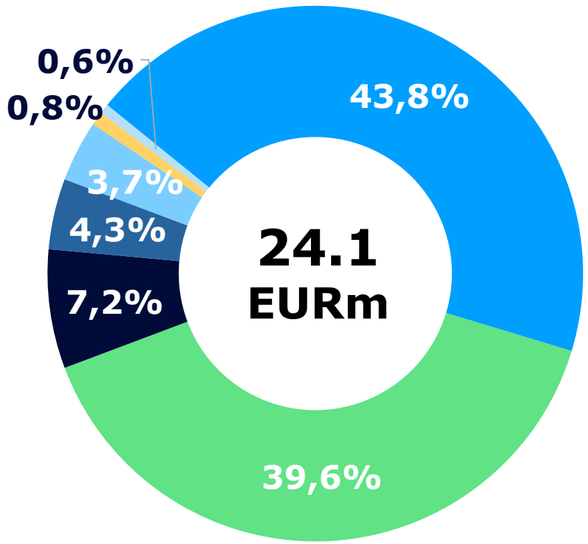
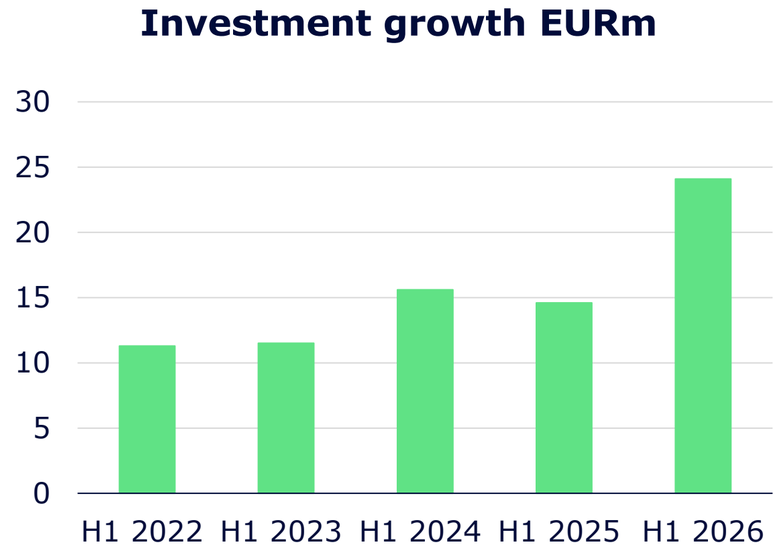
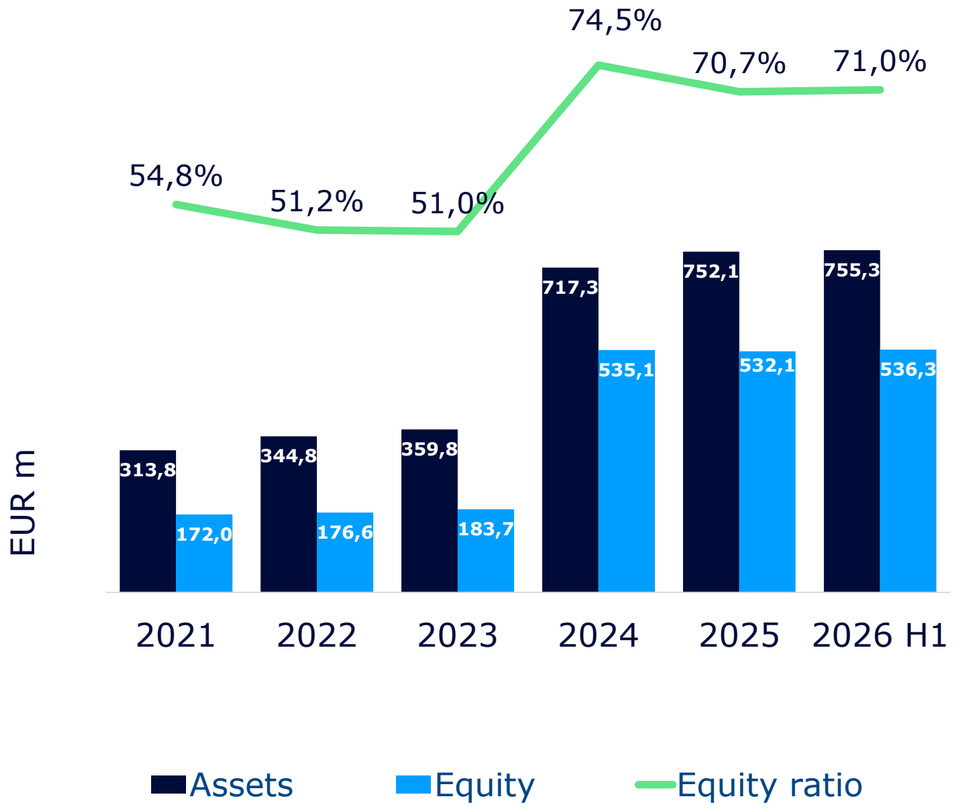
Investment focus areas in H1 2026

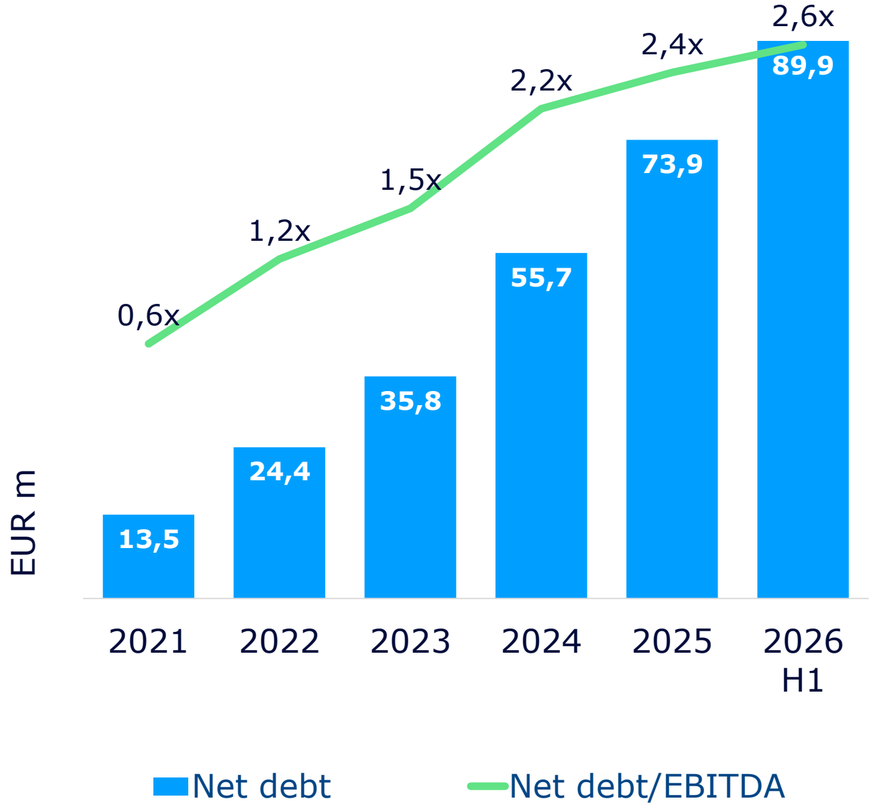


Development and quality of wastewater treatment	EUR 10.6 million
Renovation of centralized water supply and sewer pipelines	EUR 9.5 million
Other investments	EUR 1.7 million
Security and quality of water supply	EUR 1.0 million
Energy efficiency and the transition towards energy neutrality	EUR 0.9 million
Expansion of access to centralized services	EUR 0.2 million
Digitalization and data Management	EUR 0.1 million

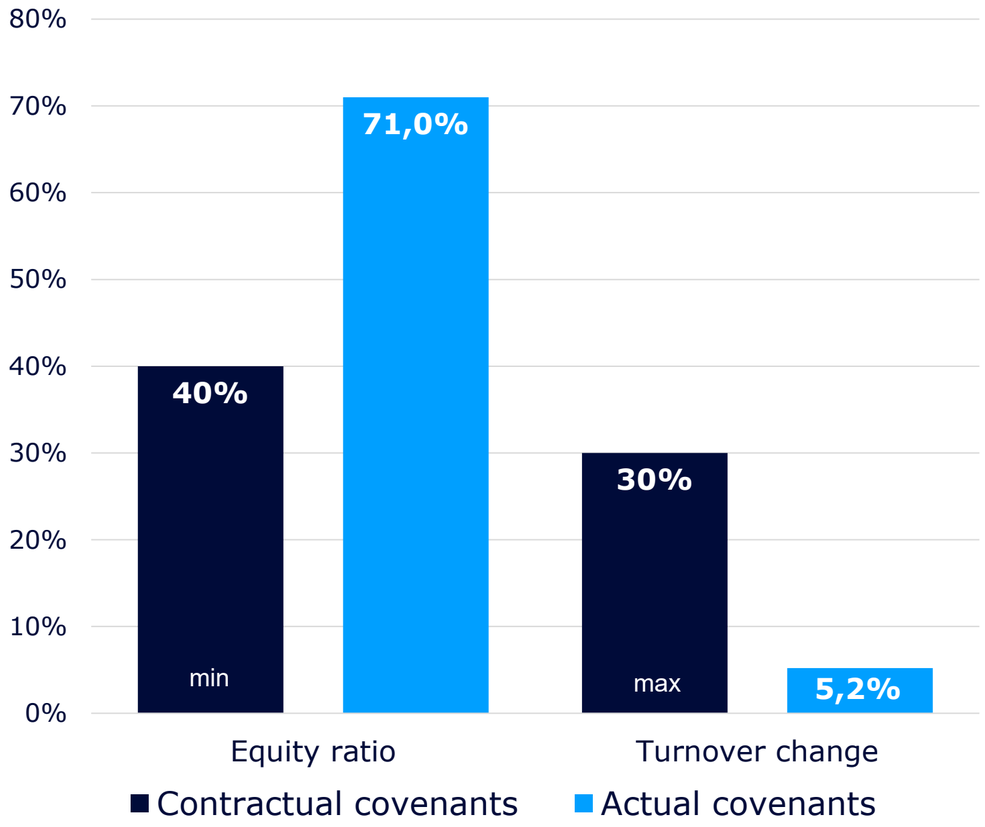


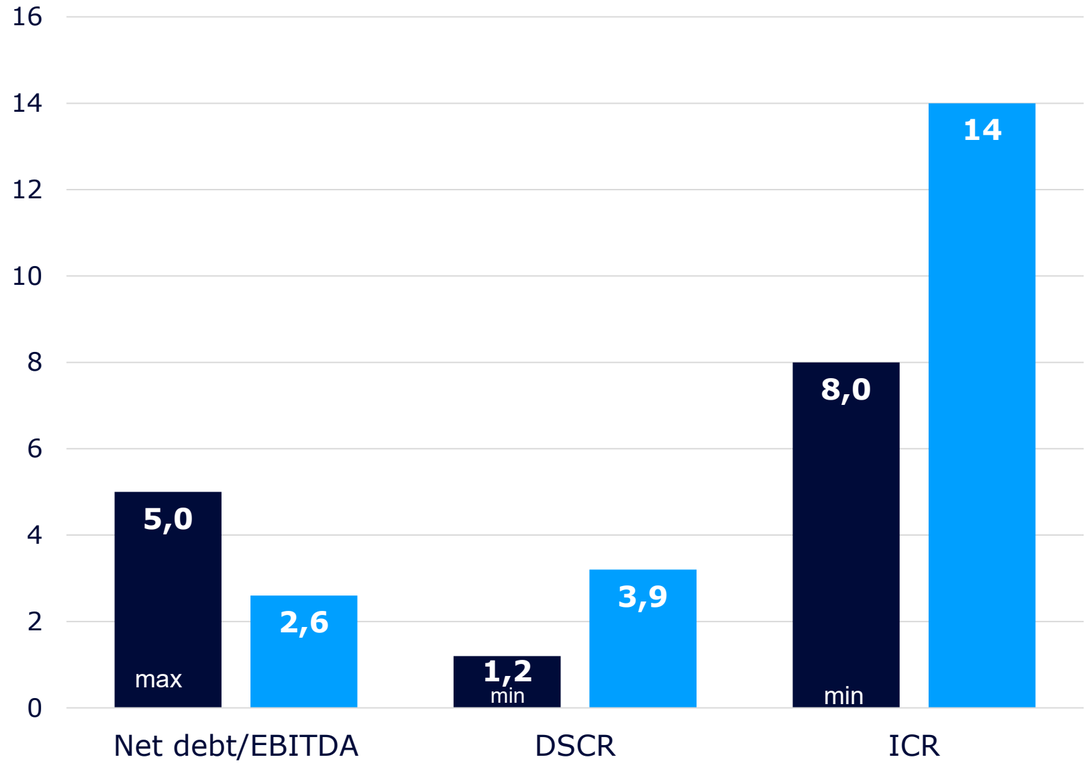
Equity and leverage level



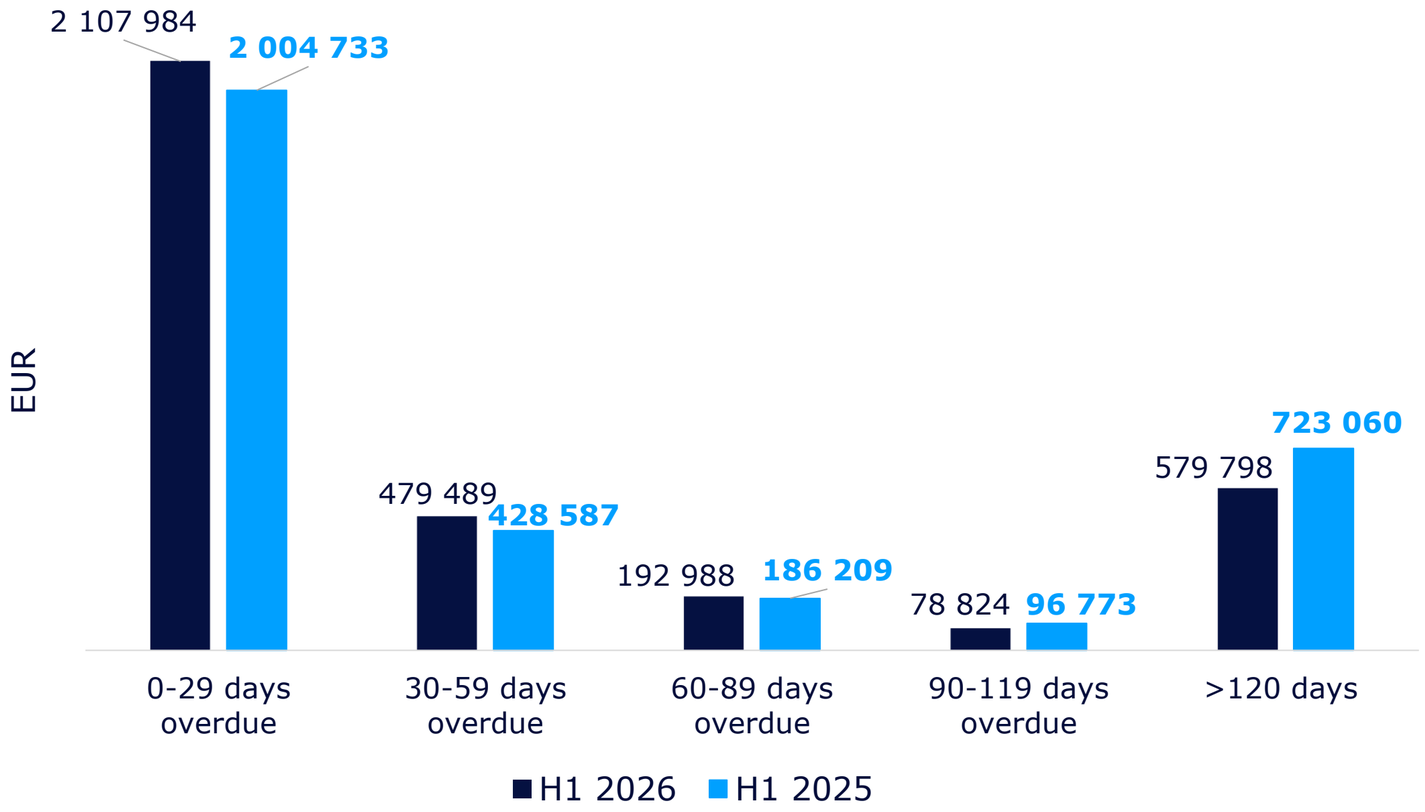


Performance indicators for bank borrowings





Receivables portfolio quality



0,9%

Doubtful and non-performing receivables
(1.1% in 2025)

Comment

- H1 2026 debts up to 60 days remained at historically low level, representing 75% of total receivables.
- Regular monitoring and improvements are in place: an automated reminder call system has been implemented, and payment reminders have been sent to multi-apartment buildings.

Penalty fees for overdue payments were not applied from 1 January to 30 June

Financial target achievement

Updated Expectation Letter from Shareholder

3.9

DSCR

(>2.0)

168.5 %

Investment vs depreciation %

(>130%)

40.2 %

EBITDA margin

(New target, >40%)

71.0 %

Equity ratio

(>50%)

0.9 %

Doubtful and non-performing receivables to turnover

(<1.0)

4.1 %

Investments in R&D projects

(>2 %)

0.78 %

Water Services Costs to Household Disposable Income

(New target, <1,2%)

62.6%

Investment projects that comply with the taxonomy

(New target, >50%)

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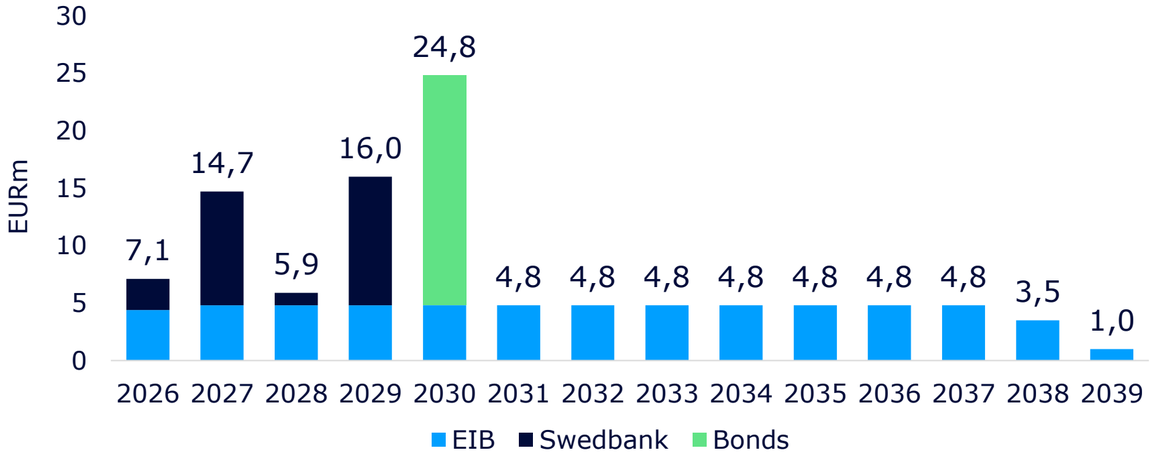
Funding profile

- More than a half of the Company’s financing comes from own funds
- Long-term funding is provided by Swedbank, European Investment Bank (EIB) and green bonds
- 54.1 % of the outstanding borrowings at the end of the reporting period were floating rate and 45.9 % were fixed rate
- On June 2026, Moody’s reaffirmed Rīgas ūdens' A3 (stable) credit rating

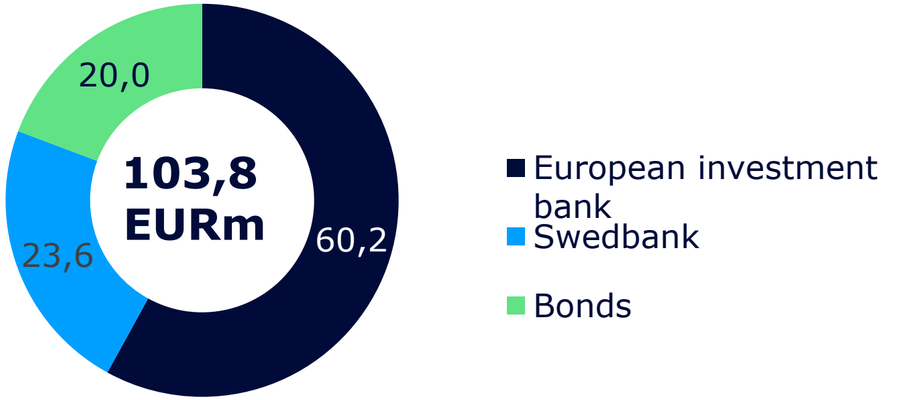
Structure of assets and liabilities (2026 H1)

Long-term debt repayment schedule



Current Agreement Schedule, Date: 30.06.2026

Diversified funding sources (2026 H1)



New financing

EUR 40 million bond tranche

to finance the following activities:

1. Sustainable use and protection of water and marine resources (WTR)

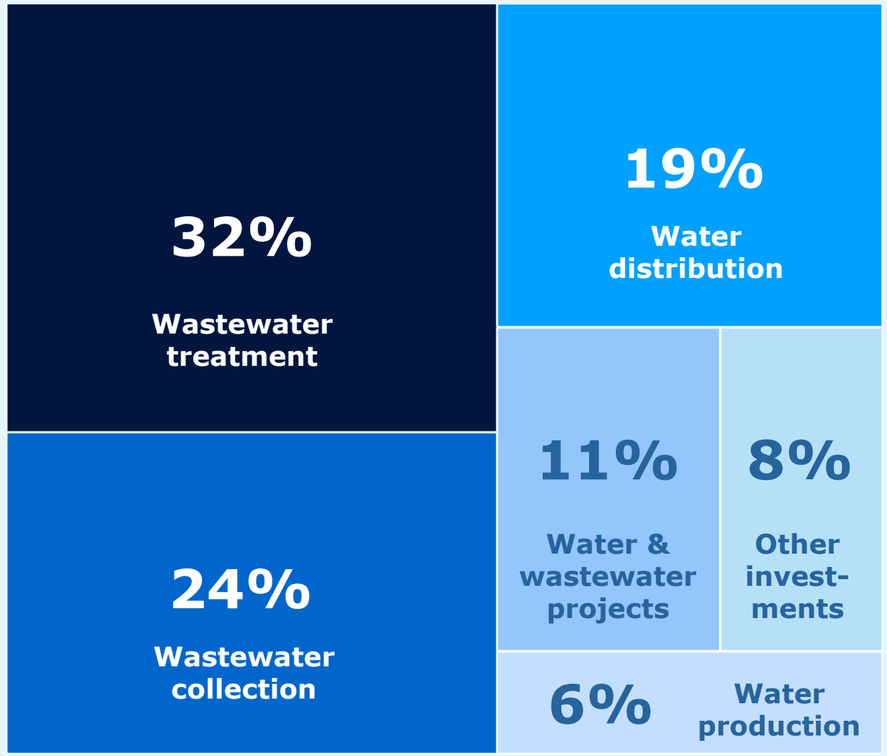
- Sewage system renovation
- IT/OT data-driven solutions for leakage reduction

2. Climate change mitigation

- Construction of new sludge digestion tanks
- Energy efficiency projects

Long-term investment programme 2025-2028

EUR 235M



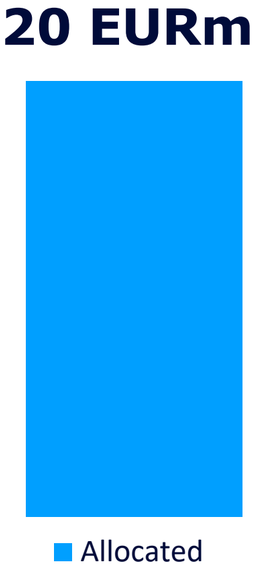
Investment highlights

- Essential and regulated public infrastructure asset
- Strong visibility through an approved EUR 235M CAPEX programme
- EuGB-aligned financing and impact reporting
- Supports ESG and climate portfolio objectives
- Moody’s A3 credit rating and demonstrated investor demand

Allocation of European Green Bond proceeds

Rīgas ūdens is Latvia's first municipal company to raise financing on the capital market and the **first company in Northern Europe** to issue bonds under the **European Green Bond (EuGB) Standard**.

In 2025, the company raised **EUR 20.0 million** through its first European Green Bond issuance under a **EUR 60.0 million** bond programme



Allocation by project category:

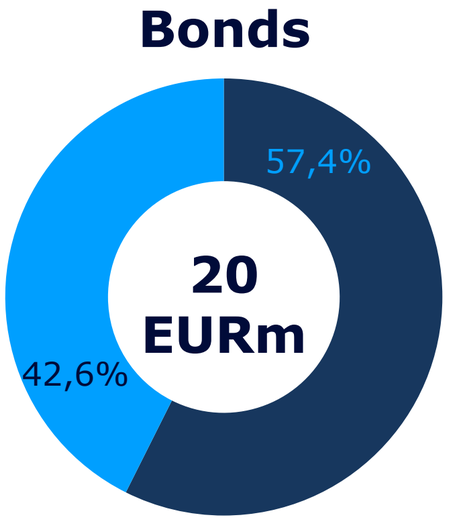
Wastewater collection and treatment
EUR 15.79 million

Biogas production infrastructure
EUR 3.11 million

Renewable electricity generation
EUR 1.01 million

Energy-efficiency improvements
EUR 0.09 million

Sustainable Fitch confirmed that 100% of the allocated proceeds comply with the European Green Bond Regulation and the EU Taxonomy



In the water industry,
every drop matters —
in resilience, efficiency and trust

Next EU GBS tranche planned in 4Q 2026

Essential infrastructure for future generations

For investor questions:

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