

# INTERIM REPORT FOR THE Q4 AND 12 MONTHS OF 2024

Unaudited • Roja, 2025



# Statement of the Management Board

25 February 2025

## Key events in the 4th quarter and within 12 months of 2024

### DESCRIPTION OF THE COMPANY'S ACTIVITY

Since 1947, when the fishermen of the Roja area started establishing joint farms and industrial fish processing, generations, political systems and principles of economic activity have changed, but the traditions of fish processing have preserved their identity and recognition, and the Company "Banga Ltd." Ltd. successfully continues the production of sterilised canned fish. Since 2011, when the Company entered a new phase of development, the Company's shareholders and management have transformed the Company into a sustainable food production Company - a major regional player - with a clear vision of activity as an internationally known as a canned fish producer.

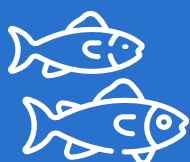
**The Company's mission is sustainable production and trading of high-quality and healthy canned fish worldwide.**

Since its foundation, the Company has remained true to its values - experienced and professional staff - at the moment, the Company employs more than 165 local professionals of the region with many years of experience in the fishing industry, making it one of the largest employers in the region. Social sustainability is the key value for the vitality and growth of local community and development of the Company. **Production of healthy and tasty canned fish as a value cannot be imagined without the priority established in the Company's procurement policy - to use only the highest quality raw materials and ingredients** - including fresh Baltic Sea fish (sprats and Baltic herrings), as well as products supplied by the world's leading Atlantic salmon producers from Norway, Scotland and other countries.



Shelf life of the Company's products can reach 4-5 years, which opens up a wide range of possibilities to offer products worldwide and deliver them by land, as well as in containers via sea trade routes. Implementation of the

strategy of expanding the geography of product sales has resulted in new markets, in line with the Company's mission, thus strengthening the Company's international recognition and providing opportunities for further sales growth.



By the end of 2024, the Company's products were available on 5 continents in 47 countries around the world.



"Banga Ltd." Ltd. offers products under its own brands, as well as private labels of its customers, depending on the market and the partner's profile and necessities in that particular market. The Company's customer base includes distributor companies that offer "Banga Ltd." branded products to their customers - retail chains and outlets, as well as international retail chains that often purchase products under their own brands, such as ALDI, METRO, and others. **Regardless of the customer profile, in line with the Company's core values, products are manufactured to the highest certification standards.** Product quality in the Company is approved by IFS (International Featured Standards), MSC (Marine Stewardship Council) and ASC (Aquaculture Stewardship Council) certifications. The Company has a laboratory, which allows it to control the production process operatively and in line with the quality standards set by the Company and its customers.

"Banga Ltd." Ltd. demonstrates sustainability to its consumers by providing them with quality canned fish, it is a stable partner to its suppliers, cooperates responsibly with state and municipal institutions, and provides long-term stability for its employees.

From 2022, the Company is a participant in the Baltic capital market, issuing corporate bonds listed on the Nasdaq Riga Baltic First North market. **Thus, the Company demonstrates sustainability not only in the field of food production, but also financial sustainability, compliance with the highest governance principles, transparency and openness to the public and investors.**

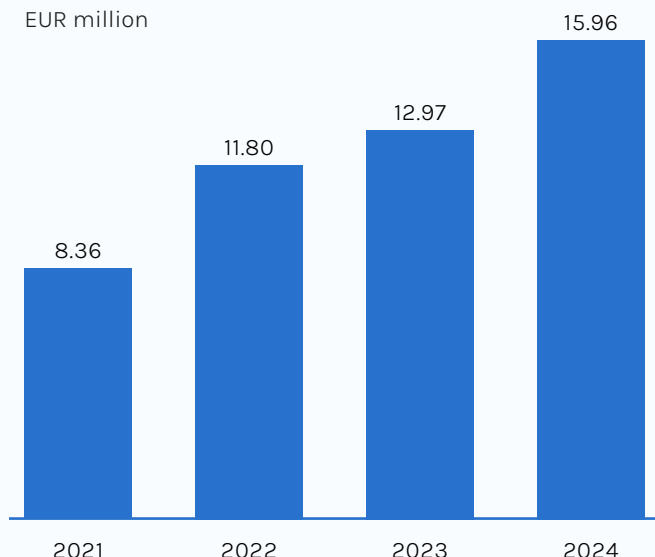


## THE COMPANY'S DEVELOPMENT AND FINANCIAL RESULTS DURING THE REPORTING PERIOD

The Company's sales in 2024 amounted to EUR 15,958,867, the highest in its history and representing 23% over the indicator of 2023.

### Net turnover

years 2021 - 2024,  
EUR million



**In Q4 2024, the Company's turnover amounted to EUR 5,079,078 representing 41% over Q4 2023.**

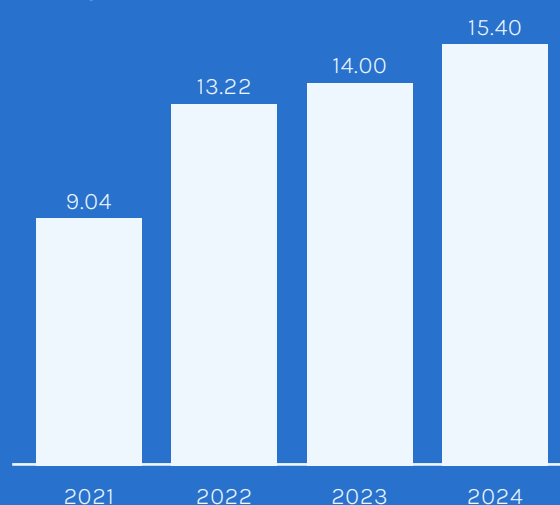
The successful performance of the reporting period is a result of a combination of several factors which, particularly at the end of 2024, contributed to increase in sales to the historically highest levels: including increased production volumes through increased efficiency, increase in selling prices, particularly for products made of the Baltic Sea raw materials, as well as increased exports. Increase in sales in the industrial food segment remained with a stable growing trend.

In 2024, volume of the Company's unit sales amounted to 15.4 million tins, representing 10% over the indicators of 2023.



### Number of tins sold

years 2021 - 2024,  
million

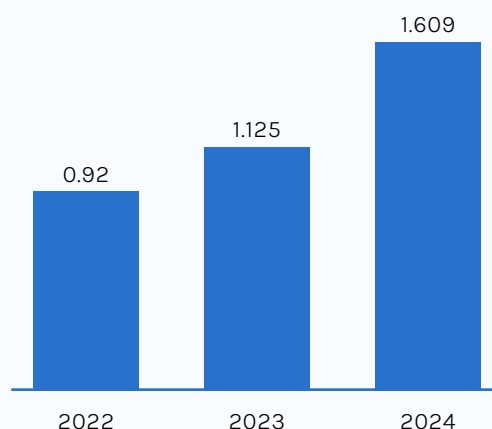


According to operational data, in 12 months of 2024, the Company has generated profit in the amount of EUR 1,043,791, including in the 4th quarter in the amount of EUR 433,618. Compared to Q4 2023, the Company's profit has increased by 88%. Compared to 2023, the impact of the exceptional revenue received within the framework of the support from the European Maritime, Fisheries and Aquaculture Fund for partial compensation of additional costs was much lower, totalling EUR 88 624 in 2024. With the income statement excluding the cost increase compensation component, in 2024, it totalled EUR 955,167 representing 69% increase compared to 2023 (without the above exceptional revenue).

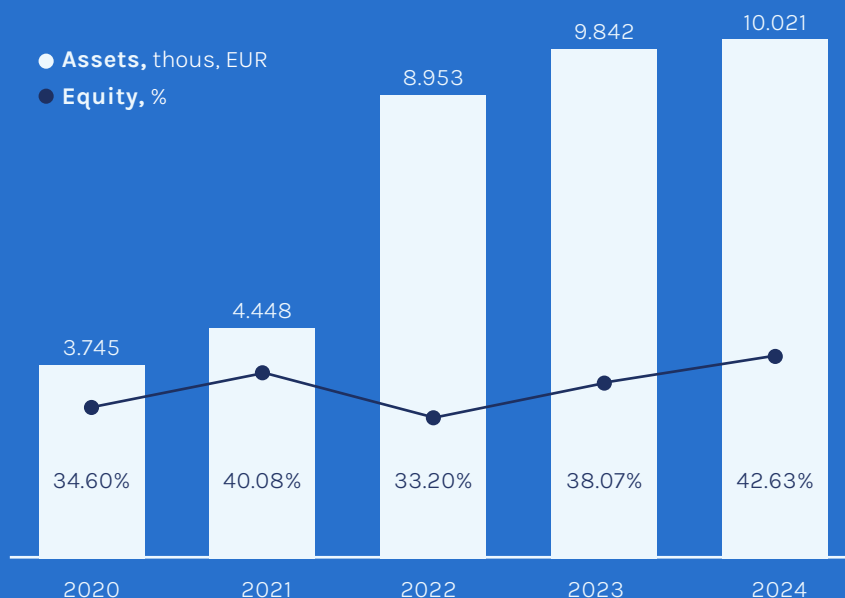
**The Company's successful development and financial position is characterised in the dynamics of reflection of financial indicators by years, such as EBITDA (Earnings before interest, taxes, depreciation and amortisation).**

#### EBITDA

years 2022 - 2024,  
EUR million



**The Company's equity as at the end of 2024 amounted to EUR 4,35 million, or 42,63% of total assets, an increase of 27,5% compared to the corresponding period at the end of 2023.**

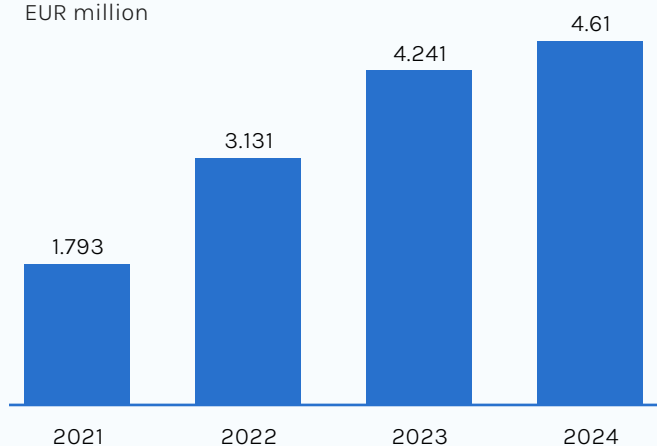


During 2024, the Company continued to invest in technological equipment and infrastructure. The main areas of investment were the construction and equipment of a finished products warehouse with a warehouse racking system, a new complex of biological treatment plants, fish packing and tin can closing machine and other equipment.

In 2024, a particular focus was aimed at IT investments: The Company has developed a digital development roadmap that includes development of IT infrastructure, software development, process digitisation and data security, and started using AI tools in business processes.

### Fixed assets

years 2021 - 2024,  
EUR million

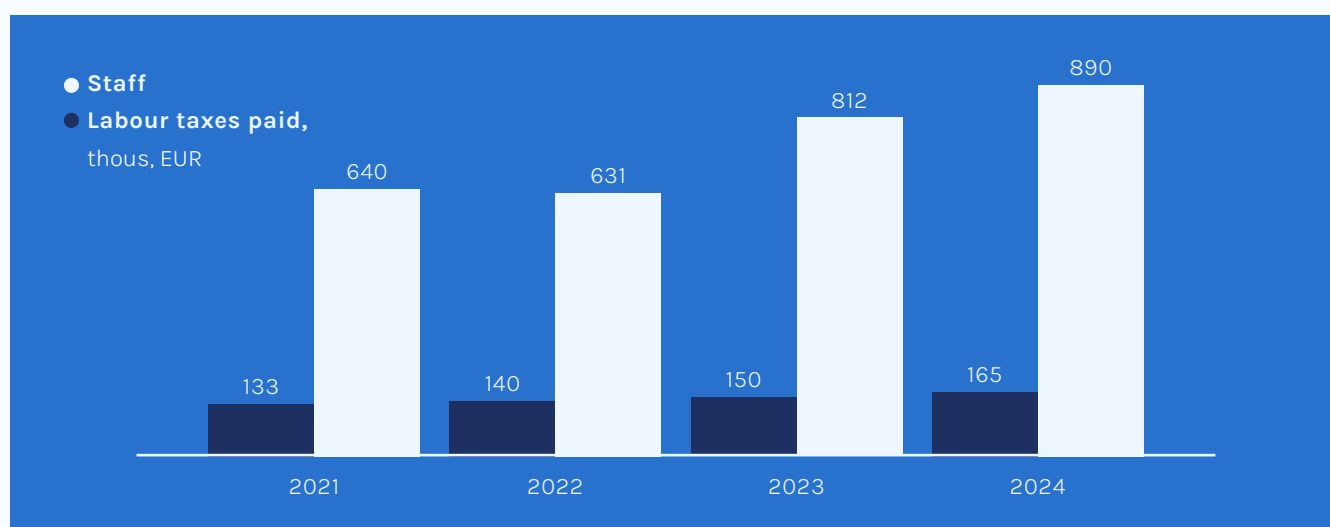


In 2024, the Company continued to increase the number of jobs with the number of employees amounting to 165 in the region at the end of the reporting period. At the end of the year, extension of the office space needed for the Company's administrative staff was launched. The Company is active in the field of corporate

**In order to ensure the sustainability of production and the quality of products, the Company has more than doubled its investment in fixed assets during the period from 2021.**



social responsibility, providing support to the regional educational institutions, amateur performance groups, municipality, a society for the disabled and an animal shelter. The amount of labour taxes paid to the budgets in 2024 amounted to EUR 890,090 representing 10% increase compared to 2023.







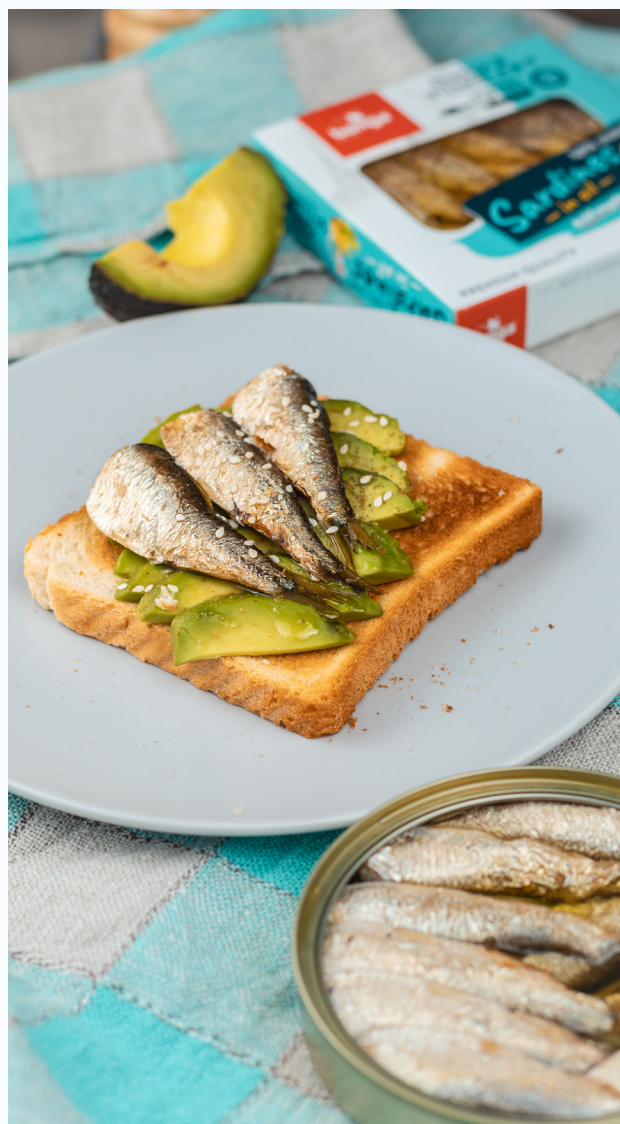
## FUTURE PLANS OF THE COMPANY

The Company's business plans for 2025-2027 include long-term sustainable partnerships with customers in existing markets, as well as entering new markets by expanding the geography to 50-55 countries with a sales goal of 20 million tins per year. Representatives of the Company are planning to participate in food fairs in Europe, Asia and North America in 2025.

In the production direction, the Company is planning to implement the next investment project in the improvement of production technologies, including the construction of a freezer for the storage of fish raw materials, purchase of industrial food production lines, purchase of fish pre-processing equipment and a tin can closing machine. The total cost of the project will amount to 2 million euro, and the project will be implemented in cooperation with the Rural Support Service and co-financed by the European Maritime, Fisheries and Aquaculture Fund.

**In Q2 2025, the Company is planning to issue bonds to implement the above investment project, as well as to refinance existing corporate bonds issued in 2022.**

**Ingus Veckāgans**  
Member of the Board



# Financial Statements



# Statement of Comprehensive Income

	12 M 2024 EUR	12 M 2023 EUR
<b>Sales</b>	<b>15 958 867</b>	<b>12 975 716</b>
Cost of sales*	-14 440 910	-11 582 530
Distribution expenses	-144 528	-160 772
Administration expenses*	-531 846	-488 871
Other operating income****	303 517	540 902
Other operating expenses	-27 802	-69 348
<b>Operating profit</b>	<b>1 117 298</b>	<b>1 215 097</b>
Finance income**	180 041	98 751
Finance expenses***	-222 897	-245 504
Income tax	-30 651	-407
<b>NET PROFIT</b>	<b>1 043 791</b>	<b>1 067 937</b>
* included		
Depreciation	560 378	425 035
** included		
Interest income	8 011	4 662
Income from EU project support	151 571	93 868
Foreign exchange	7 287	
Others	13 172	221
*** included		
Foreign exchange		-5 904
Interest costs	217 726	-206 280
Investment losses		-30 721
Others	5 171	-2 599
**** included		
State support	88 624	501 654

# Balance Sheet

	31.12.2024. EUR	31.12.2023. EUR
Intangible assets	27 298	29 948
Property	2 298 556	1 739 443
Machinery	1 692 629	1 653 630
Other fixed assets and inventory	301 544	207 283
Creation of fixed assets and construction expenses	31 228	591 655
Advance payments for fixed assets	258 465	50 960
Inventories	3 977 851	3 399 891
Receivables	1 059 403	1 050 165
Cash	5 62 345	235 016
<b>TOTAL ASSETS</b>	<b>10 209 319</b>	<b>8 957 991</b>
<b>Owner's equity</b>		
Share capital	547 565	547 565
Long-term investments revaluation reserve	41 819	51 634
Other reserve	2	2
Retained earnings	3 763 189	2 813 828
<b>Total equity</b>	<b>4 352 575</b>	<b>3 413 029</b>
<b>Liabilities</b>		
Debt long-term	344 766	3 648 570
Debt short-term	2 664 721	164 346
Other liabilities	1 498 232	656 712
Accounts payable	1 349 025	1 075 334
<b>Total liabilities</b>	<b>5 856 744</b>	<b>5 544 962</b>
<b>TOTAL LIABILITIES AND OWNER'S EQUITY</b>	<b>10 209 319</b>	<b>8 957 991</b>



# Statement of Changes in Equity

	Share capital EUR	Long-term investments revaluation reserve EUR	Other reserve EUR	Retained earnings EUR	Total equity EUR
<b>Balance at 31.12.2022.</b>	<b>547 565</b>	<b>53 497</b>	<b>2</b>	<b>1 744 028</b>	<b>2 345 092</b>
Exclusion of long-term investments	-	-1 863	-	1 863	-
Total comprehensive income for the year	-	-	-	1 067 937	<b>1 067 937</b>
<b>Balance at 31.12.2023.</b>	<b>547 565</b>	<b>51 634</b>	<b>2</b>	<b>2 813 828</b>	<b>3 413 029</b>
Exclusion of long-term investments	-	-9 815	-	9 815	-
Dividends declared	-	-	-	-104 245	<b>-104 245</b>
Total comprehensive income for the year	-	-	-	1 043 791	<b>1 043 791</b>
<b>Balance at 31.12.2024.</b>	<b>547 565</b>	<b>41 819</b>	<b>2</b>	<b>3 763 189</b>	<b>4 352 575</b>

# Cash Flow Statement

	12 M 2024 EUR	12M 2023 EUR
<b>Operating activities</b>		
Income from the sale of goods and services	16 631 779	14 281 246
Payments to suppliers and employees	-15 823 795	-13 041 320
Interest paid	-141 738	-139 500
Income tax	-27 606	-570
<b>Net cash flow of operating activities</b>	<b>638 640</b>	<b>1 099 856</b>
<b>Investing activities</b>		
Investments in tangible and intangible assets	-715 498	-1 681 838
Loans granted	-95 300	-99 529
Repayment of loans granted	101 050	102 700
Interest received	5 155	1 658
<b>Cash flow from investing activities</b>	<b>-704 593</b>	<b>-1 677 009</b>
<b>Financing activities</b>		
Support from EU funds received	493 205	380 089
Loans repaid	0	
Dividends paid	-104 245	0
<b>Cash flow from financing activities</b>	<b>388 960</b>	<b>380 089</b>
Result of fluctuations in foreign exchange rates	3 322	245
<b>Change in cash</b>	<b>326 329</b>	<b>-196 819</b>
<b>Cash at period-start</b>	<b>235 016</b>	<b>431 835</b>
<b>Cash at period-end</b>	<b>561 345</b>	<b>235 016</b>



# Financial Indicators

Financial indicator	Calculation formula	Result
Interest coverage Ratio (IRC)	EBITDA/Net finance Charges	7
Equity Ratio	Ratio of Adjusted Equity/Assets	43%
Net Debt to EBITDA	Net Debt/EBITDA	1.52
EBITDA	<p>Net profit for the Relevant Period calculated according to the most recent Financial Reports:</p> <p>a) before deducting any Net Finance Charges;</p> <p>b) before taking into account any exceptional items which are not in line with the ordinary course of business;</p> <p>c) not including any accrued interest on Subordinated Debt;</p> <p>d) before taking into account any gains or losses on any foreign exchange gains or losses; and</p> <p>e) after adding back any amount attributable to the amortisation, depreciation or depletion of assets.</p>	1 609 088 EUR



