

Unaudited • Roja, 2025



INTERIM REPORT FOR THE FIRST 3 MONTHS OF 2025

“Banga Ltd” SIA
Reg. No. 41203031343

Akas street 74B, Roja, Roja parish,
Talsi county, LV-3264

STATEMENT OF THE MANAGEMENT BOARD

23 May 2025



KEY EVENTS IN Q1 2025

TYPE OF ACTIVITY

Sales of the Company in Q1 2025 amounted to EUR 5,301,236 representing 49.40% over the indicator of the corresponding period in 2024. Increase in sales during this period is due to the increase in production volumes resulting from the planned investments in production implemented in the previous periods. During the reporting period, the company was able to produce 42.81% more physical units than in Q1 2024.

42.81%

**MORE PHYSICAL UNITS WERE
PRODUCED COMPARED TO Q1 2024**

The reporting period was characterised by traditionally high demand for canned fish during the winter months, increased sales of new products, including those produced in the new production unit built with funds attracted on the capital market in the form of bonds. Volume of products produced in this unit during the first 3 months of 2025 shows 96% increase compared to Q1 2024.

Despite price increases in some product groups due to the increase in the cost of raw materials (fish), demand for the company's products remains high, especially for Baltic Sea fish products, which confirms the high quality of the company's products and sustainability of the production processes. Overall, the number of product units sold during the reporting period shows 32% increase compared to Q1 2024. Analysis of the buyers' profiles during the reporting period shows a steady high demand from the company's long-term partners, which gives confidence for further sales growth.

Within the framework of marketing activities, the company's products were presented at the Seafood Expo Global 2025 in Barcelona, the largest fish industry trade fair in Europe, from 6 to 8 May 2025.

PERFORMANCE AND FINANCIAL SITUATION OF THE COMPANY

According to the operational financial data, the Company generated profit of EUR 611,200 in Q1 2025, representing 114.72% over the indicator of the corresponding period of 2024.

The EBITDA indicator has increased significantly, amounting to EUR 2,008,868 for the last 12 months, or 25% over the indicator of the corresponding period of 2024.

During the reporting period, impact of the exceptional revenue no longer received from the European Maritime, Fisheries and Aquaculture Fund for the partial reimbursement of additional costs decreased significantly.



At the end of the reporting period, the company's total assets amounted to EUR 11,09 million, representing 8.7% over the indicator at the end of 2024. The largest increase was in the raw materials position, which is related to the purchase of fish raw materials due to the interruption of the fishing season and provision of the production process during this period.

The positive financial result ensures a constant increase in equity capital in dynamics, which stood at 45% of total assets at the end of Q1.

In April 2025, the Company's shareholders approved the financial statements 2024, prepared in accordance with the international accounting standards, approving a profit of €1,041,693 for 2024. In May 2025, the company's shareholders' meeting resolved to distribute profits and disburse EUR 100,000 in dividends.

During the reporting period, implementation of the 2nd phase of the investment project has been commenced, which will be implemented in cooperation with the Rural Support Service with co-financing from the European Maritime, Fisheries and Aquaculture Fund under the measure "Investments in processing of fishery and aquaculture products". Construction of the largest investment object - a new freezer for storage of raw materials, is scheduled to start in Q2 2025.

FUTURE DEVELOPMENT PLANS

In Q2 2025, the main objective of the Company will be to ensure production and delivery of the planned products to the current and new customers before the production interruption in July. Due to the high demand for the products, the production capacity of individual lines will be increased by organising additional shifts.

In May, the sales team of the Company will participate in the annual PLMA World of Private Label, one of Europe's most important trade shows in the private label sector.



During the reporting period, the Company's quality management team ensured **extension of the IFS Food certification, demonstrating sustainability of the Company's quality management.**

In Q2 2025, work on the development of new products in selected fish groups will continue to maximise the factory's capacity utilisation.

The Company's technical department will carry out active planning activities to prepare more effectively for the technological summer break in July to be used for scheduled repair works in the production unit, equipment inspection and adjustment, improvement of the environmental protection processes, improvement of the territory to provide maximum production capacity upon resumption of production process in August.

Work will continue on the implementation of the 2nd phase of the investment project "Investments in the processing of fisheries and aquaculture projects", with the aim of completing the project by the end of 2025.

In Q2 2025, issue of bonds worth EUR 3 million was planned to refinance the existing bonds issued in 2022 and provide funding for investments. To the reporting date, the bond issue has closed at a coupon rate of 7% p.a. for a term of 3 years.



Ingus Veckāgans

Member of the Board



Financial Statements

Statement of Comprehensive Income

	Q1 2025 EUR	Q1 2024 EUR
SALES	5 301 236	3 548 439
Cost of sales*	-4 474 967	-3 135 861
Distribution expenses	-42 533	-32 188
Administration expenses*	-161 931	-126 141
Other operating income****	14 478	52 102
Other operating expenses	-6 643	-1 945
OPERATING PROFIT	629 640	304 406
Finance income**	38 748	37 374
Finance expenses***	-56 193	-56 996
Income tax	-995	-137
NET PROFIT	611 200	284 647
* included		
Depreciation	148 058	125 180
** included		
Interest income	1 268	1 545
Income from EU project support	36 736	34 489
Others	744	1 340
*** included		
Foreign exchange	-3 708	-1 569
Interest costs	-52 485	-52 684
Others		-2 743
**** included		
State support	0	50 102

Balance Sheet

	31.03.2025 EUR	31.12.2024 EUR
Intangible assets	31 532	27 298
Property	2 335 832	2 298 556
Machinery	1 726 693	1 702 529
Other fixed assets and inventory	326 928	301 544
Creation of fixed assets and construction expenses	124 381	31 228
Advance payments for fixed assets	301 241	246 486
Inventories	4 776 613	3 979 107
Receivables	1 215 069	1 060 535
Cash	255 028	562 345
TOTAL ASSETS	11 093 317	10 209 628
OWNER'S EQUITY		
Share capital	547 565	547 565
Long-term investments revaluation reserve	41 819	41 819
Other reserve	2	2
Retained earnings	4 372 291	3 761 091
TOTAL EQUITY	4 961 677	4 350 477
LIABILITIES		
Debt long-term	1 303 280	1 331 520
Debt short-term	2 671 308	2 664 722
Other liabilities	539 138	513 195
Accounts payable	1 617 914	1 349 714
TOTAL LIABILITIES	6 131 640	5 859 151
TOTAL LIABILITIES AND OWNER'S EQUITY	11 093 317	10 209 628

Statement of Changes in Equity

	Share capital EUR	Long-term investments revaluation reserve EUR	Other reserve EUR	Retained earnings EUR	Total equity EUR
BALANCE AT 31.12.2023	547 565	51 634	2	2 813 828	3 413 029
Exclusion of long-term investments	-	-9 815	-	9 815	-
Dividends declared	-	-	-	-104 245	-104 245
Total comprehensive income for the year	-	-	-	1 041 693	1 041 693
BALANCE AT 31.12.2024	547 565	41 819	2	3 761 091	4 350 477
Exclusion of long-term investments	-	-	-		0
Dividends declared	-	-	-		-
Total comprehensive income for the year	-	-	-	611 200	611 200
BALANCE AT 31.03.2025	547 565	41 819	2	4 372 291	4 961 677



Cash Flow Statement

	Q1 2025 EUR	Q1 2024 EUR
OPERATING ACTIVITIES		
Income from the sale of goods and services	5 094 206	37 39 167
Payments to suppliers and employees	-4 965 726	-39 38 710
Interest paid	-34 834	-35 100
Income tax	-3 821	-104
NET CASH FLOW FROM OPERATING ACTIVITIES	89 825	-234 747
INVESTING ACTIVITIES		
Acquisition of parts of related or associated companies		
Investments in tangible and intangible assets	-400 311	-129 113
Loans granted	-15 000	-14 000
Repayment of loans granted	14 000	15 750
Interest received	2 582	818
CASH FLOW FROM INVESTING ACTIVITIES	-398 729	-126 545
FINANCING ACTIVITIES		
Loans received	0	0
Support from EU funds received	3 000	398 152
Loans repaid	0	0
Dividends paid		
CASH FLOW FROM FINANCING ACTIVITIES	3 000	398 152
Result of fluctuations in foreign exchange rates	-1 413	-686
CHANGE IN CASH	-307 317	36 174
CASH AT PERIOD-START	562 345	235 016
CASH AT PERIOD-END	255 028	271 190

Financial Indicators

FINANCIAL INDICATOR	CALCULATION FORMULA	RESULT
Interest coverage Ratio (IRC)	EBITDA/Net finance Charges	10
Equity Ratio	Ratio of Adjusted Equity/Assets	45%
Net Debt to EBITDA	Net Debt/EBITDA	1.36
EBITDA	<p>Net profit for the Relevant Period calculated according to the most recent Financial Reports:</p> <ul style="list-style-type: none"> a) before deducting any Net Finance Charges; b) before taking into account any exceptional items which are not in line with the ordinary course of business; c) not including any accrued interest on Subordinated Debt; d) before taking into account any gains or losses on any foreign exchange gains or losses; and e) after adding back any amount attributable to the amortisation, depreciation or depletion of assets. 	2 008 868 EUR



**Taste and enjoy
the seafood!**