

"Naftaluka", Olaines parish 20 of August, 2025

**CrossChem SIA**  
Annual report for year 01.01.2025 – 30.06.2025

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**COMPANY INFORMATION**

Name of the Company	CrossChem SIA
Legal status of the Company	Limited liability company
Registration No., place and date	LV4000388244, Riga, 11.01.2007.
Registered office	"Naftaluka", Olaines pagasts, Olaines novads, LV-2127
Major shareholders	SIA CrossChem International - 100%
Members of the Board	Ričards Andersons – Chairman of the Board Aleksandrs Muzičenko – Board member Dagnija Turlaja – Board member
Annual report drawn up by	Ieva Grase – Chief Accountant
Reporting year	from 2025.01.01 to 2025.06.30
Type of company's activity	Manufacture of other chemical products
NACE classification code	2059

## **MANAGEMENT REPORT**

### **Type of activity**

"CrossChem" Limited Liability Company (hereinafter referred to as the Company) manufactures and distributes chemical products, manufactures equipment for the use and production of chemicals, as well as a range of services related to the use, storage, transportation of these products. The Company also has the only accredited laboratory in the Baltics for testing AUS products, in accordance with the ISO standards.

### **A brief description of the Company's activity during the reporting period and financial position**

The company's revenue in the first six months of 2025 amounted to 9.2 million EUR. EBITDA reached 868,982 EUR in the first half of 2025. The company's equity as of June 30, 2025 remained at the level of 5.5 million EUR compared to 5.9 million EUR as of June 30, 2024, which indicates a fairly secure coverage of the company's assets with equity capital. The total amount of assets has remained unchanged at 16.01 million EUR as of June 30, 2024. The company's equity to assets ratio was 35%.

### **Future prospects and future developments**

The company has developed a short-term 2-3 year and long-term 7-10 year development plan, which provides for expanded production and development of chemical products and the development of services provided to them, in order to provide customers with effective, safe products and services.

The main strategic goals are:

1. to continue developing the infrastructure for the circulation of chemical products;
2. to increase the portfolio of products and services;
3. to modernize and automate work processes;
4. to expand the markets for products and increase their volumes.

In parallel, an important task is to ensure the stable growth and development of the Company, ensuring the well-being of employees and their ability to work towards a common goal.

The main tasks of long-term development are:

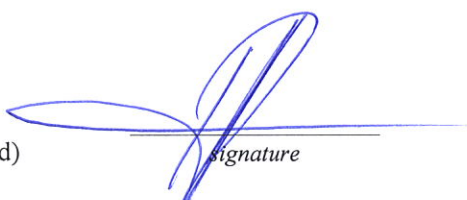
- a. to improve the computerized company management system;
- b. to streamline product delivery channels to customers;
- c. to expand the range of products produced and offered.

In the investment policy, the greatest attention is and will be paid to the long-term development of the company and ensuring competitiveness. A significant risk that may affect the Company's operating results is the geopolitical situation in the world, which affects the raw materials market, the stability of the EUR/USD currency and the lack of a high-quality workforce. The Company monitors the current situation of sanctions decisions and is ready to respond in a timely manner to minimize the impact of these risks.

### **Financial risk management**

The Company's financial assets mainly consist of trade receivables denominated in euros, as well as demand deposits with credit institutions. The majority of financial liabilities consist of debts to suppliers for goods and services. Cash is mainly placed with Latvian financial institutions. The Company's main external source of financing is bond issues on the Nasdaq Baltic stock exchange and loans from credit institutions. The Company focuses on changes in interest rates, especially EURIBOR, as this is a significant factor affecting the solvency of the overall economy. The Company continues to focus on improving efficiency, modernizing and automating work processes, investing in infrastructure, equipment and team composition to ensure sustainable growth. The Company plans to maintain the revenue growth rate in the second half of 2025, anticipating revenue in 2025 in the amount of 25–30 million euros. The forecasted EBITDA margin level is within 6-7%.

Ričards Andersons  
(Chairman of the Board)



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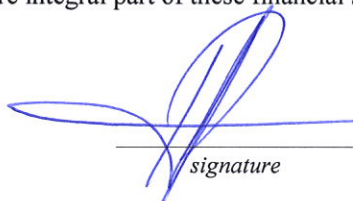
20 of August, 2025

**INCOME STATEMENT**  
(classified per function of expenditure)

	Note number	2025. 01.01.-30.06 EUR	2024. 01.01.-30.06 EUR
Net turnover:	2	9 219 761	12 573 322
c) from other main activity types.		9 219 761	12 573 322
Production cost of goods sold, acquisition cost of goods sold or services provided	3	(7 422 611)	(11 023 130)
<b>Gross profit or loss</b>		<b>1 797 150</b>	<b>1 550 192</b>
Selling expenses	4	(721 079)	(723 472)
Administrative expenses	5	(283 896)	(280 984)
Other operating income	6	68 692	115 429
Other operating expenses	7	(272 900)	(78 846)
Other interest and similar income:		4 989	8 255
b) from other persons.		4 989	8 255
Interest payments and similar expenses:		(191 572)	(153 736)
b) to other persons.		(191 572)	(153 736)
<b>Profit or loss before the corporate income tax</b>		<b>401 384</b>	<b>436 838</b>
Corporate income tax for the reporting year		0	0
<b>Profit or loss of the reporting year</b>		<b>401 384</b>	<b>436 838</b>

Notes on pages 11 to 23 form are integral part of these financial statements.

Ričards Andersons  
(Chairman of the Board)



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20 of August, 2025

**Annual report drawn up by:**

Ieva Grase  
(Chief Accountant)



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**BALANCE SHEET**

<b>ASSETS</b>	<b>Note number</b>	<b>2025.06.30 EUR</b>	<b>2024.12.31 EUR</b>
<b>Long-term investments</b>			
<b>Intangible assets</b>			
Concessions, patents, licences, trademarks and similar rights		156 776	166 954
Advance payments for intangible assets		7 153	7 153
<b>Total intangible assets</b>	8	<b>163 929</b>	<b>174 107</b>
<b>Fixed assets</b>			
Real estate:		236 092	236 092
a) land, buildings and structures,		236 092	236 092
Long-term investment in leased fixed assets		79 690	75 880
Technology devices and equipment		820 924	963 096
Other fixed assets and inventory		879 421	885 652
Expense of tangible assets and construction in progress		774 370	737 849
<b>Total fixed assets</b>	9	<b>2 790 497</b>	<b>2 898 569</b>
<b>Long-term financial investments</b>			
Loans to subsidiary companies	10	796 173	783 091
Loans to associated companies	11	175 000	175 000
Other loans and long-term receivables	12	13 308	12 159
<b>Total long-term financial investments</b>		<b>984 481</b>	<b>970 250</b>
<b>Total long-term investments</b>		<b>3 938 907</b>	<b>4 042 926</b>
<b>Current assets</b>			
<b>Inventories</b>			
Raw materials, direct materials and auxiliary materials		3 528 332	2 939 698
Finished products and goods for sale		512 708	508 831
Advance payments for inventories		1 728 201	2 966 163
<b>Total inventories</b>		<b>5 769 241</b>	<b>6 414 692</b>
<b>Receivables</b>			
Trade receivables	13	4 657 388	4 538 386
Amounts owed by related companies	10	143 245	143 245
Other receivables	14	57 060	15 714
Prepaid expenses		38 426	29 673
<b>Total receivables</b>		<b>4 896 119</b>	<b>4 727 018</b>
<b>Cash and cash equivalents</b>		<b>1 405 927</b>	<b>1 025 866</b>
<b>Total current assets</b>		<b>12 071 287</b>	<b>12 167 576</b>
<b>TOTAL ASSETS</b>		<b>16 010 194</b>	<b>16 210 502</b>

**BALANCE SHEET**

<b>LIABILITIES</b>	<b>Note number</b>	<b>2025.06.30 EUR</b>	<b>2024.12.31 EUR</b>
<b>Equity capital</b>			
Share capital (equity capital)	15	1 301 400	1 301 400
Long-term investment revaluation reserve	16	213 697	237 458
Reserves:		14	14
f) other reserves		14	14
Retained earnings or uncovered losses of previous years		3 642 469	3 518 097
Profit or loss of the reporting year		401 384	436 838
<b>Total equity capital</b>		<b>5 558 964</b>	<b>5 493 807</b>
<b>Creditors</b>			
<b>Long-term liabilities</b>			
Loans to bonds	17	3 500 000	3 500 000
Borrowings from credit institutions	18	783 840	862 224
Other borrowings	19	165 521	165 521
<b>Total long-term liabilities</b>		<b>4 449 361</b>	<b>4 527 745</b>
<b>Short-term liabilities</b>			
Borrowings from credit institutions	18	548 688	940 608
Other borrowings	19	115 015	96 617
Advance payments from customers		554 513	943 415
Trade payables		3 811 369	3 461 314
Amounts owed to subsidiary companies		10 462	9 972
Taxes and mandatory state social insurance contributions	20	133 687	221 843
Other liabilities	21	181 917	165 431
Deferred income		112 493	99 262
Dividends payable		400 000	400 000
Accrued liabilities	22	133 725	162 954
<b>Total short-term liabilities</b>		<b>6 001 869</b>	<b>6 501 416</b>
<b>Total liabilities</b>		<b>10 451 230</b>	<b>11 029 161</b>
<b>TOTAL LIABILITIES</b>		<b>16 010 194</b>	<b>16 522 968</b>

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Ričards Andersons  
(Chairman of the Board)

  
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20 of August, 2025

**Annual report drawn up by:**

Ieva Grase  
(Chief Accountant)

  
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**CASH FLOW STATEMENT**

(indirect method)

	<b>2025. 01.01.-30.06 EUR</b>	<b>2024. 01.01.-30.06 EUR</b>
<b>Cash Flow from operating activities</b>		
Profit or loss before taxation	<b>401 384</b>	<b>436 838</b>
<b>Adjustments:</b>		
Adjustments of decrease in value of equity capital	245 101	235 765
Amortization of intangible assets	22 663	22 664
Interest and similar income	(4 989)	(8 255)
	(45 241)	(22 215)
Interest and similar expenses	191 572	153 736
<b>Cash Flow before adjustments on changes in current assets and liabilities</b>	<b>810 490</b>	<b>818 533</b>
<b>Adjustments for:</b>		
Increase (-)/ decrease (+) in trade and other receivables	(169 101)	(770 011)
Increase (-)/ decrease (+) in inventories	645 451	498 565
Increase (+)/ decrease (-) in trade and other payables	(94 729)	(138 652)
<b>Gross operating cash flow</b>	<b>1 192 111</b>	<b>408 435</b>
<b>Interest paid</b>	(191 572)	(153 736)
<b>Corporate tax paid</b>	0	0
<b>Net cash flow from operating activities</b>	<b>1 000 539</b>	<b>254 699</b>
<b>Cash flow from investing activities</b>		
Long-term investments in leased fixed assets	(14 620)	(5 082)
Purchase of non-current assets	(206 096)	(143 082)
Loans granted	(196 516)	(137 011)
Proceeds from refunded loans	153 939	134 011
Interest received	4 989	8 255
<b>Net cash flow from investing activities</b>	<b>(258 304)</b>	<b>(142 909)</b>
<b>Cash flow from financing activities</b>		
Loans from credit institutions received	62 889	1 802 832
Received grants, subsidies and donations	45 241	22 215
Loans from credit institutions repaid	(470 304)	(470 304)
Dividends paid	0	(280 000)
<b>Net cash flow from financing activities</b>	<b>(362 174)</b>	<b>1 074 743</b>
<b>Net increase/decrease in cash and cash equivalents</b>	<b>380 061</b>	<b>1 186 533</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>1 025 866</b>	<b>550 122</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>1 405 927</b>	<b>1 736 655</b>

Ričards Andersons  
(Chairman of the Board)

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Ieva Grase  
(Chief Accountant)

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20 of August, 2025

**STATEMENT OF CHANGES IN EQUITY**

	Share capital	Revaluation reserve of financial instruments	Reserves	Retained earnings	Total equity
	EUR	EUR	EUR	EUR	EUR
<b>As at 2023.12.31</b>	<b>1 301 400</b>	<b>277 034</b>	<b>14</b>	<b>3 918 097</b>	<b>5 496 545</b>
Gains or loss from revaluation of fixed assets		(39 576)			(39 576)
Increase / decrease in the fair value of financial instruments				(400 000)	(400 000)
Profit for the financial year				124 372	124 372
<b>As at 2024.12.31</b>	<b>1 301 400</b>	<b>237 458</b>	<b>14</b>	<b>3 642 469</b>	<b>5 181 341</b>
Gains or loss from revaluation of fixed assets		(23 761)			(23 761)
Profit for the financial year				401 384	401 384
<b>As at 2025.06.30</b>	<b>1 301 400</b>	<b>213 697</b>	<b>14</b>	<b>4 043 853</b>	<b>5 558 964</b>

Notes on pages 11 to 23 form an integral part of these financial statements.

Ričards Andersons  
(Chairman of the Board)

  
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20 of August, 2025

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Ieva Grase  
(Chief Accountant)

  
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## **NOTES TO THE FINANCIAL STATEMENTS**

### **(1) Significant accounting principles**

#### **Principles of preparation of financial statements**

The annual report has been prepared in accordance with the laws "On Accounting" and "Law on Annual Accounts and Consolidated Annual Accounts".

The profit or loss statement has been classified according to expenditure function method. The cash flow statement is prepared using indirect cash flow method.

On June 30, 2025, the company corresponds to the category of a medium-sized company. The annual report is prepared by applying the following basic principles:

- 1) it is assumed that the Company will continue its operation;
- 2) The same accountancy policy and evaluation methods was used as in the previous year, except for the balance sheet items, which can be abandoned in accordance with the new law „Law on Annual Accounts and Consolidated Annual Accounts”, since the Company is not using SFPS in preparation of the annual report;
- 3) Items in the financial statements are recognized and measured on a prudent basis subject to the following conditions:
  - a) the financial statement includes only the profit earned up to the balance sheet date;
  - b) all liabilities and expected risk amounts and losses incurred during the reporting year or previous years are taken into account, even if they became known between the balance sheet date and the date when the annual report is signed by the Company's management body;
  - c) all amounts of impairment and depreciation of assets have been calculated and taken into account, regardless of whether the reporting year is closed with profit or loss;
- 4) the items in the balance sheet and profit and loss statement are shown on an accrual basis, i.e. income and expenditure are represented on the basis of the time of their occurrence and not the time of receipt or disbursement of money. Income and expenditure related to the reporting year are represented regardless of the date of receipt of the payment or invoice;
- 5) costs are reconciled with revenues in the respective reporting periods;
- 6) the amounts indicated in the relevant balance sheet items (opening balances) correspond to the amounts indicated in the same balance sheet items at the end of the previous reporting year (closing balances);
- 7) asset and liability items are valued separately;
- 8) the amounts in the balance sheet and profit and loss statement items are indicated taking into account the content and nature of economic transactions, and not only the legal form.
- 9) The consolidated report is prepared by the parent company SIA CrossChem International, Ziedleju iela 6, Mārupe, Mārupe district. SIA CrossChem as a subsidiary company will be consolidated in this report.

#### **Reporting period**

The reporting period is 6 months	2025.01.01	to	2025.06.30
The previous period is 12 months from	2024.01.01	to	2024.12.31

#### **Transactions in foreign currencies**

Financial reports are prepared in the single currency of the European Union, euro (EUR).

All transactions in foreign currencies are converted into euro according to the official currency exchange rate set by the European Central Bank on the respective day of transaction. All monetary assets and liabilities are converted into euro according to the exchange rate set by the European Central Bank on the last day of the financial year.

Profit or loss gained as a result of currency exchange rate fluctuations have been recognized in the income statement for the respective period.



### **Related parties**

A related party is a person or an entity that is related to the reporting Company.

A person or a close member of that person's family is related to the reporting Company if that person has control, joint control or significant influence over the reporting Company or is a member of the key management personnel of the reporting Company or of a parent of the reporting Company.

An entity is related to the reporting Company if they are members of the same group. Also an entity is related to the reporting Company if the entity is controlled, jointly controlled or significantly influenced by a related person of the reporting Company or this related person of the reporting Company is a member of the key management personnel of that entity or of a parent of that entity.

### **Intangible assets and fixed assets**

Fixed assets are displayed in their acquisition value less depreciation. The acquisition value of fixed assets consists of purchase price, import duties and non-refundable purchase taxes, other costs directly attributable to delivery of the assets to their location and getting in the working condition pursuant to the suggested use. Depreciation and amortisation is calculated over the useful life of the asset according to the linear method applying the following depreciation rates as the basis of calculation:

Buildings and structures	5%
Manufacturing devices	20%
Technological equipment	10%
Office equipment	20%
Computer hardware	35%
Motor vehicles	20-35%
Other fixed assets	20%

Intangible assets are displayed in their acquisition value less depreciation. Depreciation has been calculated within the period of useful life of an asset according to the linear method, applying the following depreciation rates:

Licenses	10-20%
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Gains or losses from sales of fixed assets are displayed in the income statement of the respective period. Repair or renovation expenses that increase the useful life of fixed assets or their value are capitalised and written off within the period of useful life of assets. Other repair or renovation expenses are recognised as the loss of the accounting period.

Expenses related to leasehold improvements are capitalised and displayed in the fixed assets. Depreciation is calculated over the lease period using the linear method. Loan issue expenses that are directly related to formation of fixed assets and construction in progress are capitalised, if such expenses are reasonably attributable and directly related. Loan issue expenses are capitalised before putting the fixed assets into operation. In 2020, the company has revalued one group of fixed assets - Technological equipment, creating a long-term investment revaluation reserve, assuming that the depreciation of the mentioned fixed assets is 10 years, and the revaluation of this group takes place after 5 years.

### **Long-term financial investments**

#### *- Related companies*

A related company is a company, which is directly or indirectly controlled by another company (the parent company – more than 50% of the shareholders' voting rights in this company). The parent company controls the subsidiary company's financial and business policy. The company recognizes income from investments only in case if it receives distribution of profit from the related company after the purchase date. The received distribution, which exceeds this profit, shall be considered as investment recovery costs and is recognized as a decrease of purchase costs in the related company's investment.

### **Evaluation of inventories**

Cost price of inventories is determined using FIFO method. Inventories are evaluated according to the cost price or the lowest market values on the balance date. If inventory units are damaged, have become partly or totally obsolete, or the expenses of production completion or selling increase substantially - corresponding inventory units has to be valued at the net sales price. (Net sales price is the forecasted sales price in ordinary business, less the calculated products completion and selling expenses).

### **Receivables**

Receivables are recognized according to the amount of initial invoices, less accruals for doubtful debts. Accruals are made if receipt of full amount of the debt is doubtful. Debts are written off if their recovery is considered as impossible.

#### *Provisions for bad and doubtful debtors*

Provisions for bad and doubtful debtors are estimated over the whole year based on expected budget created as for proportional income and expense flows. Accounts receivables can be written off from the provisions if their recovery is considered to be impossible. At the end of the year the Company evaluates all account receivables - bad debts are written off, but doubtful debts are assigned to Provisions for doubtful debts.

### **Cash**

Cash is cash in hand and non-cash in payment accounts and deposit accounts.

### **Financial instruments**

#### *- Long-term loans and claims*

A financial asset created by the company by lending money or providing service directly to the debtor; not created with the purpose to sell it immediately or in the near future. Initially loans are recognised in their initial value set by adding the expenses related to issue of the loan to the fair value of the loan amount. After initial recognition the loans are recognised in their amortised value, applying the effective interest rate method. The amortised value is calculated with the account of the loan issue expenses, as well as any loan-related discounts and bonuses. The profit or loss due to amortisation is displayed in the profit or loss statement as interest income and expenses. If active decrease in the value has occurred respective reserves are made.

### **Financial leasing liabilities**

Lease is classified as a financial lease if in fact all risks and remunerations that are a characteristic of ownership are transferred to a tenant and if it corresponds to at least one of the following conditions:

- a) ownership to the leased asset will be transferred to the tenant upon expiration of the leasing term;
- b) the lease term includes the majority of the asset's time of useful use;
- c) the leased assets are so specific that only the tenant is entitled to use them without a significant modification.

The assets for financial lease are initially recognised as the Company's assets after their true value or after the current value of the minimum leasing payments if it is lower than the true value. Each of these values are determined on the date of acquiring the lease asset. Lease liabilities are included in the balance sheet as long-term and short-term liabilities of financial lease. Financial expenditure are reflected in the income statement on the relevant period so that a regular and periodic cost rate from the liability surplus would be provided for each reporting period.



### **Provisions**

Provisions are recognised when there is obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources will be required to settle the obligation. Extent of the liabilities can be credibly assessed while a certain date of liabilities' occurrence or discharge is not precisely known.

As the warranty for complete filling stations is provided by the equipment manufacturer, the company does not make provisions for warranty repairs.

### **Accrued liabilities**

#### *Provisions for unused vacation compensation*

The provision sum is established by multiplying the average wage for the last six months of the reporting period with the number of days of unused annual leaves on the end date of the reporting period, including also the mandatory state social insurance contributions made by the employer.

#### *Provision for not received expense invoices*

Accrued liabilities for unreceived invoices are clearly known trade liability sums for the goods or services received within the reporting year when a relevant payment document (an invoice) has failed to be received on the date of drawing up the balance sheet. The liability sums are calculated, based on the price, which is defined in the relevant agreement, and on the documents that approve actual receipt of the goods or services.

#### *Accrued interest payments*

In accordance with the terms and conditions of the bond issue on the Nasdaq Baltic Exchange, interest is paid quarterly from the moment of issue. Accrued but not yet paid interest is included in accrued liabilities.

### **Recognition of income**

Revenue recognition from the sale of goods is recognised as soon as a significant portion of ownership and risks of goods are transferred to the customer, and the reward can be measured reliably. Revenue from rendering of services is recognised in proportion to the stage of completion of the order. Dividend income is recognised when the shareholder's right to receive payment is established. Interest income is recognised in the corresponding period of time.

### **Corporate income tax**

The corporate income tax for the reporting period consists of the calculated tax for such period. The corporate income tax is recognised in the profit or loss statement. The tax for the reporting period is calculated according to the provisions of the law "Enterprise Income Tax Law".

As of taxation year of 2018, corporate income tax is calculated for distributed profit (dividends) and conditionally distributed profit by applying the rate of 20%. Corporate income tax is recognised at the moment when the participants of the Company will make a decision on distribution of profit, or when the costs not promoting further development of the Company (conditionally distributed profit) will be recorded.

### **Application of assumptions**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, as well as income and expenses. The management has assessed its income statement and concluded that the financial statements give a true and fair view of the financial position of the Company, based on all the information currently available.

**(2) Net turnover:**

Net turnover - proceeds from company's major activity - rendering of services without value added tax.

Type of activity	2025. 01.01.-30.06	2024. 01.01.-30.06
	EUR	EUR
Manufacture of other chemical products nec (NACE 2059)	9 219 761	12 573 322
<b>Total</b>	<b>9 219 761</b>	<b>12 573 322</b>

**Net sales by geographical markets:**

Country	2025. 01.01.-30.06	2024. 01.01.-30.06
	EUR	EUR
Latvia	4 071 775	4 761 585
EU	3 521 225	6 131 189
3rd Countries	1 626 761	1 680 548
<b>Total</b>	<b>9 219 761</b>	<b>12 573 322</b>

**(3) Production cost of goods sold, acquisition cost of goods sold or services provided**

	2025. 01.01.-30.06	2024. 01.01.-30.06
	EUR	EUR
Costs of purchased raw materials	5 832 999	9 525 619
Staff costs	674 498	539 884
Cost of goods purchased	460 343	558 127
Depreciation of fixed and intangible assets	222 664	194 323
Rental costs	128 611	122 813
Other costs	103 496	82 364
<b>Total</b>	<b>7 422 611</b>	<b>11 023 130</b>

**(4) Selling expenses**

	2025. 01.01.-30.06	2024. 01.01.-30.06
	EUR	EUR
Personnel expenses	379 608	355 484
Transport costs	155 149	153 245
Advertising expenses	40 004	43 892
Business travel costs	21 955	27 252
Depreciation of fixed assets	25 150	21 727
ABUS maintenance costs	15 877	17 326
Office expenses	14 913	10 420
Other selling expenses	68 423	94 126
<b>Total</b>	<b>721 079</b>	<b>723 472</b>

**(5) Administrative expenses**

	<b>2025.</b> <b>01.01.-30.06</b>	<b>2024.</b> <b>01.01.-30.06</b>
	EUR	EUR
Personnel expenses	202 973	209 173
Ancillary expenses related to securities turnover	2 608	2 325
Depreciation of fixed assets	33 201	30 814
Other administration expenses	45 114	38 672
<b>Total</b>	<b>283 896</b>	<b>280 984</b>

**(6) Other operating income**

	<b>2025.</b> <b>01.01.-30.06</b>	<b>2024.</b> <b>01.01.-30.06</b>
		EUR
Income net of exchange rate fluctuations		6 054
Revenue from received financing LIAA	45 241	22 215
Proceeds from sale of fixed assets	6 357	0
Other income	17 094	87 160
<b>Total</b>	<b>68 692</b>	<b>115 429</b>

**(7) Other operating expenses**

	<b>2025.</b> <b>01.01.-30.06</b>	<b>2024.</b> <b>01.01.-30.06</b>
	EUR	EUR
Donations	2 010	362
Expenses for writing down the residual value of written-off fixed assets	500	29 013
Other personnel expenses	12 380	10 463
Expenditure on staff sustainability measures	4 583	4 858
Other economic costs - for the improvement of the territory and premises	27 225	1 725
Other office expenses	5 173	2 602
Road usage expenses	4 202	2 903
Work clothes	1 327	4 191
Utility expenses	3 882	1 772
Materials for ensuring economic activity	2 616	2 201
Equipment rental and maintenance	1 214	3 074
Fines and penalties paid	2	150
Losses from adjustment to prior periods	1 800	500
Net exchange rate losses	164 831	0
Other expenses	41 155	15 032
<b>Total</b>	<b>272 900</b>	<b>78 846</b>

**(8) Intangible assets**

		Concessions, patents, licenses, trade marks and similar rights	Advances for intangible assets	Total intangible assets
		EUR	EUR	EUR
Acquisition value	2025.01.01	373 836	7 153	380 989
Additions		12 485		12 485
Acquisition value	2025.06.30	386 321	7 153	393 474
Accumulated amortization	2025.01.01	206 882	0	206 882
Amortization charge		22 663		22 663
Accumulated amortization	2025.06.30	229 545	0	229 545
Net book value	2025.01.01	166 954	7 153	174 107
Net book value	2025.06.30	156 776	7 153	163 929



(9) Fixed assets

	Real estate	Investments in leasehold improvements	Technological equipment and devices	Machinery and equipment	Equipment for LIAA project NP-2021/8	R&D research facilities	Other fixed assets and inventory	Fixed assets under construction	Total fixed assets	
	EUR	EUR	EUR	EUR		EUR	EUR	EUR	EUR	
Acquisition value	2025.01.01	236 092	420 795	527 368	699 590	486 127	2 667	1 602 354	737 849	4 712 842
Additions			14 620					141 970	37 021	193 611
Disposal									(500)	(500)
Moved to inventory item				(32 321)				(6 210)		(38 531)
Acquisition value	2025.06.30	236 092	435 415	495 047	699 590	486 127	2 667	1 738 114	774 370	4 867 422
Accumulated depreciation	2025.01.01	0	344 915	229 229	360 036	162 036	1 355	716 702	0	1 814 273
Depreciation charge			10 810	9 202	51 492	48 733	424	148 201		268 862
Amortization of intangible assets that have been liquidated or reclassified								(6 210)		(6 210)
Accumulated depreciation	2025.06.30	0	355 725	238 431	411 528	210 769	1 779	858 693	0	2 076 925
Net book value	2025.01.01	236 092	75 880	298 139	339 554	324 091	0	885 652	737 849	2 898 569
Net book value	2025.06.30	236 092	79 690	256 616	288 062	275 358	888	879 421	774 370	2 790 497



**(10) Loans to subsidiary companies**

	Changes within the reporting period	2025.06.30 EUR	2024.12.31 EUR
<b>Long-term loans</b>			
SIA CrossChem International	13 082	796 173	783 091
<b>Total long term loans</b>	<b>13 082</b>	<b>796 173</b>	<b>783 091</b>

	Changes within the reporting period	2025.06.30 EUR	2024.12.31 EUR
<b>Short term liabilities</b>			
CrossChem Japan Co.,Ltd	0	67 815	67 815
SIA CrossChem International	0	75 430	75 430
<b>Total short term liabilities</b>	<b>0</b>	<b>143 245</b>	<b>143 245</b>

**(11) Loans to associated companies**

	Sum	Changes within the reporting period	2025.06.30 EUR	2024.12.31 EUR
<b>Long-term loans</b>	EUR	EUR	EUR	EUR
CrossChem Island ehf.	175 000	0	175 000	175 000
<b>Total long term loans</b>	<b>175 000</b>	<b>0</b>	<b>175 000</b>	<b>175 000</b>

**(12) Other loans and long-term receivables**

	Changes within the reporting period	2025.06.30 EUR	2024.12.31 EUR
CrossChem Estonia OU	149	12 308	12 159
Other loans	1 000	1 000	0
<b>Total</b>	<b>1 149</b>	<b>13 308</b>	<b>12 159</b>

**(13) Trade receivables**

	2025.06.30 EUR	2024.12.31 EUR
Trade receivables carrying amount	4 657 388	4 538 386
<b>Total</b>	<b>4 657 388</b>	<b>4 538 386</b>

**(14) Other receivables**

	2025.06.30	2024.12.31
	EUR	EUR
Tax overpayment	1 188	989
Corporate income tax advance payment	42 577	0
Other debtors	13 295	14 725
<b>Total</b>	<b>57 060</b>	<b>15 714</b>

**(15) Share capital (equity capital)**

Share capital is fully paid. It consists of 1301400 shares with a nominal value of EUR 1.

**(16) Long-term investment revaluation reserve**

Item of fixed assets (object name)	Revaluation reserve surplus at the period's		Value of the fixed asset in the beginning of the period	Decrease of revaluating reserve	Value of fixed assets at the end of the period	
	beginning	end			without revaluating	with revaluating
	2025.01.01	30.06.2025.			2025.01.01	30.06.2025.
	EUR	EUR	EUR	EUR	EUR	EUR
A/m Scania 124 KP6295	4 335	0	19 646	4 335	0	0
AdBlue production facility	181 251	166 147	241 310	15 104	40 690	206 837
AdBlue plant 2 (expansion in Latvia)	48 463	44 424	68 862	4 039	21 253	65 677
AdBlue filling station 9000l_6	1 139	1 044	4 725	95	2 500	3 544
AdBlue filling station 9000l_4	1 370	1 257	4 852	113	2 382	3 639
High pressure washer HD1140	600	550	700	50	0	600
Washing machine NEPTUNE 5-49	300	275	350	25	0	300
Total	237 458	213 697	340 445	23 761	66 825	280 597

**(17) Loans to bonds**

	2025.06.30	2024.12.31
	EUR	EUR
Loans with a repayment term of up to 1 year	3 500 000	3 500 000
<b>Total</b>	<b>3 500 000</b>	<b>3 500 000</b>

In November 2024, SIA CrossChem issue 3500 bonds with a nominal value of 1000 EUR on the Alternative Market First North. The annual bond coupon rate is 8.00% with a quarterly coupon payment. Maturity of the bonds 31.10.2027.

**(18) Borrowings from credit institutions**

**Long-term borrowings (from 1 to 5 years)**

	% rate	Date of payment	2025.06.30 EUR	2024.12.31 EUR
ALTUM	2.9%	2026.11.24	783 840	862 224
<b>Total long-term borrowings</b>	<b>X</b>	<b>X</b>	<b>783 840</b>	<b>862 224</b>

	% rate	Date of payment	2025.06.30 EUR	2024.12.31 EUR
<b>Short-term borrowings</b>				
ALTUM	2.9%	2026.11.24	548 688	940 608
<b>Total short - term borrowings</b>	<b>X</b>	<b>X</b>	<b>548 688</b>	<b>940 608</b>

**(19) Other borrowings**

	% rate	Date of payment	2025.06.30 EUR	2024.12.31 EUR
<b>Long-term borrowings (more than 5 years)</b>				
AS SEB lizings	2.65/2.5	2026.12.31	165 521	165 521
<b>Total</b>	<b>0</b>	<b>X</b>	<b>165 521</b>	<b>165 521</b>
<b>Total long-term borrowings</b>	<b>X</b>	<b>X</b>	<b>165 521</b>	<b>165 521</b>

	% rate	Date of payment	2025.06.30 EUR	2024.12.31 EUR
<b>Short-term borrowings</b>				
AS SEB lizings	2.9/4.5	2025.12.31	115 015	96 617
<b>Total</b>	<b>X</b>	<b>X</b>	<b>115 015</b>	<b>96 617</b>

**Financial indicators**

**Calculation formula**

**Result**

Interest coverage Ratio (IRC)

EBITDA/Net finance Charges

**5**

Equity Ratio

Ratio of Adjusted Equity/Assets

**30%**

EBITDA

Net profit for the Relevant Period  
calculated according to the most recent  
Financial Reports:

**868 982**

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;

e) after adding back any amount  
attributable to the amortisation,  
depreciation or depletion of assets

**(20) Taxes and mandatory state social insurance contributions**

	<b>2025.06.30</b>	<b>2024.12.31</b>
	EUR	EUR
Tax contributions and state social insurance contributions at the beginning of the year	108 664	34 368
Changes within the reporting year	88 156	74 296
<b>Tax contributions and state social insurance contributions at the end of the year</b>	<b>196 820</b>	<b>108 664</b>
	<b>2025.06.30</b>	<b>2024.12.31</b>
	EUR	EUR
Corporate income tax	0	74 042
Value added tax	30 662	62 800
Social contributions	57 546	49 351
Personal income tax	33 212	27 802
Company Car Tax	10 308	7 822
Risk duties	25	22
Property tax	1 934	4
<b>Total</b>	<b>133 687</b>	<b>221 843</b>

**(21) Other liabilities**

	<b>2025.06.30</b>	<b>2024.12.31</b>
	EUR	EUR
<b>Short-term other creditors</b>		
Salary	118 067	103 673
Settlements for deposits received	63 610	60 105
Other creditors	240	1 653
<b>Total short-term other creditors</b>	<b>181 917</b>	<b>165 431</b>

**(22) Accrued liabilities**

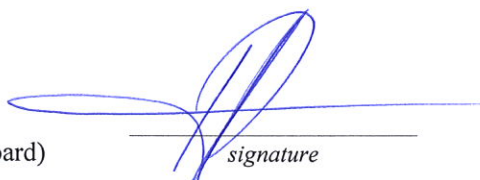
	<b>2025.06.30</b>	<b>2024.12.31</b>
	EUR	EUR
Provisions for unused vacations	132 775	132 774
Settlements with creditors for accrued liabilities	950	30 180
<b>Total</b>	<b>133 725</b>	<b>162 954</b>



**(23) Financial risk management**

The Company's financial assets mainly consist of trade receivables denominated in euros, as well as demand deposits with credit institutions. The majority of financial liabilities consist of debts to suppliers for goods and services. Cash is mainly placed with Latvian financial institutions. The Company's main external source of financing is bond issues on the Nasdaq Baltic stock exchange and loans from credit institutions. The Company focuses on changes in interest rates, especially EURIBOR, as this is a significant factor affecting the solvency of the overall economy. The Company continues to focus on improving efficiency, modernizing and automating work processes, investing in infrastructure, equipment and team composition to ensure sustainable growth. The Company plans to maintain the revenue growth rate in the second half of 2025, anticipating revenue in 2025 in the amount of 25–30 million euros. The forecasted EBITDA margin level is within 6-7%.

Ričards Andersons  
(Chairman of the Board)



signature

20 of August, 2025

**Annual report drawn up by:**

Ieva Grase  
(Chief Accountant)



signature