



Press release

9.06.2021

AS Eco Baltia closes 2020 with its largest turnover yet: nearly 75 million euros

The largest environmental management and recycling company group in the Baltic states AS Eco Baltia closed 2020 with its biggest turnover yet – 74.95 million euros, which is 6% more than in 2019 despite the impact of the pandemic on the international markets, including fluctuations of secondary resource prices. Meanwhile, the Group’s total - normalised EBITDA was 10,1 million euros.

Māris Simanovičs, Chairman of the Board of AS Eco Baltia: *“Last year while we continued to work within the local market improving waste management and sorting in the Northern District and Vidzeme Suburb of Rīga, as well as in Latvian Districts, the idle time created by COVID-19 within the European industry sector in the second quarter of last year significantly impacted the operation of our processing plants, including profitability. An important factor was the rapid fluctuations of oil prices, as well as global macroeconomic processes that resulted in a significant increase of PET raw material supply from China in the European markets, thus decreasing the price of PET secondary raw materials. Likewise, there was a marked decrease in the demand for ready-made products from polymer materials. However, despite this we have managed to maintain our position within the Baltic States and also use the pandemic to put forward long-term goals that already allow us to look at further development scenarios, while simultaneously working hard on making the operation of the group's companies increasingly efficient.*

The increase in the turnover of AS Eco Baltia was mainly prompted by waste management companies expanding market shares within Latvia. Certain processing sector positions also showed notable growth in 2020. Despite the COVID-19 crisis causing severe fluctuations in oil prices and thus having an effect on the international prices of recycled raw materials, PET Baltija (Eco Baltia’s PET bottle recycling facility) processed more PET bottles than ever in its history, 46 thousand tonnes, i.e. 14% more than in 2019, when the plant handled 40 thousand tonnes. As a result, the Group succeeded in overcoming the consequences of the pandemic, and ended the year with a normalised EBITDA of 10.1 million euros. Furthermore, UAB BSGF Salvus, a subsidiary of INVL Baltic Sea Growth Fund, one of the biggest private investment funds in the Baltics, acquired 52.81% of AS Eco Baltia shares, thus leading to expectations of the Group’s leading position as the steering force of circular economics in the Baltic region and Europe strengthening even further.

AS Eco Baltia Chairman of the Council Vytautas Plunksnis: *“Since its establishment, Eco Baltia has shown stable growth, proving its competitiveness at the Baltic and also European level. Internationalisation is particularly important in the recycling sector because it grants the opportunity to work with large international companies and to extend the „Eco Baltia” cooperation network in the world. With the growing importance of the circular economy in the global economy, in the future development of "Eco Baltia" and its companies, we will focus even more on the development of recycling competencies, especially in the segment of recycled PET raw materials.”*



One of the most strategic priorities in the group's schedule will be increasing the production capacity of food-safe secondary PET resources and strengthening their position within the European market. Therefore, in 2021 Eco Baltia will continue developing investment projects, perfecting services and products and improving customer service, thus encouraging quicker and a more sustainable further growth of the group. Furthermore, Eco Baltia has made significant steps by becoming a climate positive company, i.e. their environmental impact is lower than the total CO2 emission saving which they can achieve by focusing on waste sorting and recycling.

Eco Baltia offers a full range of waste management services: from collection and sorting, to logistics, wholesale and recycling. The Group's 2019 turnover rose 9% reaching EUR 70.62 million, compared to 64.78 million in 2018. Net profits increased 8%, up to EUR 2.54 million (2.38 million in 2018). In Latvia, the Group employs some 900 people, and its company portfolio includes such market leaders as PET Baltija, "Eco Baltia vide", Latvijas Zaļais Punkts and Nordic Plast.

Eco Baltia's shares are owned by INVL Baltic Sea Growth Fund (52.81%), European Bank for Reconstruction and Development (30.51%) and the management of the company (16.68%).

Additional information:

Alise Zvaigzne
PR specialist
Eco Baltia Group
Phone +371 28780467
alise.zvaigzne@ecobaltia.lv
www.ecobaltia.lv