

**Rīgas Ekonomikas augstskolas –
Stockholm School of Economics in
Riga Foundation**

Annual report for 2025, prepared in accordance
with legislation of the Republic of Latvia, and
the independent auditor's report

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Management Report

General information about the organisation

Name of the organisation and legal address:

Rīgas Ekonomikas augstskolas – Stockholm School of Economics in Riga Foundation, Strēlnieku iela 4A,
Riga

Legal form of the organisation:

Foundation

Registration number, date:

Reg.No. 40008164674, August 30, 2010

Public benefit organisation status:

Rīgas Ekonomikas augstskolas – Stockholm School of Economics in Riga Foundation has been granted the status of a public benefit organisation since 2 December 2010. Scope of public benefit – charity.

Aim of operations of the the organisation:

The Foundation of Rīgas Ekonomikas augstskola – Stockholm School of Economics in Riga (further – “Foundation”) is established with the aim to secure further operations and development of the Stockholm School of Economics in Riga (further – “School”) in the Republic of Latvia. The Foundation oversees the management of the School and raises donations that are necessary for the operations of the School. The Foundation carries out public benefit activities, raising donations and supporting students with scholarships to cover the study fees in order to provide talented Baltic students with the opportunity to receive competitive business education close to their place of residence for the benefit of the Baltic economies, thereby preparing a supply of qualified personnel and new entrepreneurs for Latvian, Lithuanian and Estonian economies.

Information about the Members of the Management Board:

Anders Börje Rydin, Chairman of the Management Board, until 19.09.2025 and from 23.09.2025.
Torbjörn Ingemar Becker
Gunta Jēkabsone
Kristensson Per Olof Roland
Maksims Jegorovs
Kristaps Siliņš
Visvaldis Valtenbergs
Jānis Priede

Information about the Members of the Supervisory Board:

Lars Strannegård
Gundars Bērziņš

Information about the accountant who signed the annual report:

Ilga Beča

Information about the certified auditor:

Egons Liepiņš
In-charge certified auditor
Certificate No. 28

„Merhels Revidenti Konsultanti” SIA
Commercial company of certified auditors, license No. 1
Republikas laukums 3-124, Rīga, LV - 1010, Latvija

Major achievements during the reporting year and future objectives:

In 2025 the Foundation attracted donations and secured the necessary financial support to the School by providing scholarships to the students and safeguarding that the School has the requisite working capital for its operations.

Foundation is looking forward to continue and develop fundraising activities with an aim to support high quality education and research in Latvia and other Baltic countries.

Information about the structure of the organisation:

The governing bodies of the Foundation are the Founders Meeting, the Supervisory Board and the Management Board. The Founders meeting and the Major Group of Contributors are convened as necessary in the cases specified in the laws and regulations and the statutes of the Foundation. On the other hand, the Management Board is the permanent governing body of the Foundation, while the Supervisory Board supervises the activities of the Management Board in important matters for the Foundation and the School.

The Foundation is a sole shareholder of SIA “Stockholm School of Economics in Riga”, reg.no.40003162751

Information on the regulatory policy of the activities:

The Board has approved “Policy for Prevention and Management of Conflicts of Interest”. Scholarships are paid in accordance with the Scholarship Regulations approved by the State Revenue Service.

Information on the decision making process:

The Foundation is managed by the Management Board, which convenes for regular meetings at least once in a quarter. The decisions of the Management Board are made by simple majority voting and the minutes of the Management Board meetings are taken. The Management Board is competent to vote, if more than a half of the members of the Management Board is present at its meeting.

The Founders Meeting appoints and dismisses members of the Management Board from their position.

The Articles of Association of the Foundation define a number of decisions that the Management Board of the Foundation is entitled to make only with the written consent of the Supervisory Board including the approval of the annual reports of the Foundation.

Information on financial management:

The daily transactions and supervision of the financial resources of the Foundation, as well as the practical preparation of financial reports is performed by the affiliated and authorised volunteers of the Foundation, based on decisions of the Management Board, but the financial management of the Foundation is under the control of the Management Board. The Management Board administers and disposes of the property of the Foundation, makes decision on the use of resources of the Foundation, resolves on acquisition and alienation of movable and immovable property, compiles and approves the annual reports of the Foundation receiving the written consent of the Supervisory Board, where necessary. After approval by the Board, the annual report of the Foundation is approved by the Supervisory Board.

Information on employees and other employed or voluntary officials:

The Foundation has recruited two persons for voluntary duties based on agreement about voluntary work in accordance with the article 8 of the Associations and Foundations Law. The members of the Management Board provide their contribution without remuneration, as foreseen in part 1 of article 47 of the Associations and Foundations Law.

Fundraising activities carried out by the organisation during the reporting year:

During the reporting year donations were raised from graduates of the School and potential employers of students of the School, who awarded donations to the best students in specific study courses.

On behalf of the Members of the Board:

Maksims Jegorovs
Member of the Board

Gunta Jēkabsone
Member of the Board

March 30, 2026

Information provided by organisation with status of a public benefit organisation

1. Objectives of the organisation

The Foundation carries out public benefit activities with the aim to promote high quality business education and academic research, make it accessible, and thereby facilitate economic development in Latvia and in the Baltic region. The Foundation organises and facilitates fundraising activities for the support of the students of SIA Stockholm School of Economics in Riga (hereinafter – School), including provision of scholarships, tuition fee discounts, and full tuition fee coverage for students from low-income families, allowing talented students from all Latvian regions to receive high quality education, without regard to their financial well-being. Besides, the students have the opportunity to receive high quality education close to their place of residence, and do not need to leave the country for better educational opportunities. Another benefit for Latvia and its economy is the qualified workforce and new entrepreneurs prepared by the School.

2. Organisational activities that are concerned with the public benefit status

Charity

3. Social group (further – target group), who benefits from the public benefit activities of the organisation

- 15–25 year old youth;
- persons from different age groups, talented youth, who would like to receive internationally renowned higher education close to their place of residence, thereby increasing supply of qualified personnel and young entrepreneurs for Latvian economy.

4. Detailed information of major achievements in the reporting year and prospects for development:

4.1. Projects, events and other activities concerned with the target groups within the calendar year

In 2025 the Foundation continued its fundraising efforts and mobilized support from the following groups of donors: corporate donors, alumni community, individuals and other charity foundations. Both local and international donors are represented.

Corporate sponsors and alumni have continued the tradition of providing special purpose donations for need-based and merit-based scholarships as well as for support to the School.

4.2. Results and achievements of the activities of the organisation in relation to the target group in the relevant field within the calendar year

Within the scope of general and special purpose donations raised, the Foundation has provided support to the students of the School by paying scholarships, providing tuition fee waivers, and covering accommodation and living expenses. During the reporting year 33 scholarships have been awarded to the students from the Baltics and other countries. This includes 17 scholarships provided by the corporate donors and alumni community, incl. the best students according to the study results, admission tests and students with poor financial background.

Donations to the School provide public benefit not only to the entire student community of the School, but also to the general public, since the School seeks to reach also other young people, academia and business circles not only in Latvia, but also in a wider region. This includes various academic and public events, research institutes, such as SSE Riga Centre for Sustainable Business, and education programmes offered by Anne-Marie and Gustaf Ander Centre for Media Studies. There are also numerous activities organised by the student community of the School.

4.3. Factors that facilitate activities of the organisation

Cooperation with the Ministry of Education and Science of the Republic of Latvia, the Stockholm School of Economics, and the Alumni Association of the Stockholm School of Economics in Riga and alumni community.

4.4. Factors that hinder activities of the organisation

Lack of more substantial support from the Latvian business community. National local policy for the Corporate Income Tax privileges for the donors.

5. Plan for further activities for long term projects, events and other activities:

5.1. Ongoing

The Foundation is looking forward to develop and maintain long-term cooperation with its donors, including search for new opportunities to support the School's students and activities.

5.2. Planned

It is planned to continue developing cooperation with the Latvian business sector as foreseen by the Memorandum of Understanding signed by the Ministry of Education and Science of the Republic of Latvia, Stockholm School of Economics, and the University of Latvia.

6. Plan for further activities for short term projects, events and other activities:

6.1. Ongoing

The Foundation is planning to continue the public benefit activities provided to the target group, including scholarships to the students and other support for studies at the School. For this purpose the Foundation will be looking for new ways of cooperation with the existing donors, will strengthen the cooperation with School's Alumni Association as well as search for opportunities to attract new local and foreign sponsors.

6.2. Planned

Throughout the year the Foundation evaluates activities provided to the target group. If there are sufficient grounds, the Foundation may decide upon the need to expand activities provided to the target group, include new target groups or undertake new public benefit activities.

7. Total amount of donations received in the reporting year

Total amount of the donations during the reporting year - EUR 14 570.

8. Use of donations in the reporting year:

8.1. Total amount of donations used in the reporting year

Total donation funds used in the reporting year constituted EUR 125 179.

8.2. Use of donations for public benefit activities

- Scholarships awarded by the corporate donors to the School students for good academic achievements – EUR 10 923;
- Scholarships awarded from the general donations to the School students for good academic achievements – EUR 48 200;
- Support for the tuition fee waiver coverage for the 2024/2025 academic year to 18 Baltic students – EUR 41 100;
- Support for the tuition fee waiver coverage for the 2nd semester of 2024/2025 academic year and 1st semester of 2025/2026 academic year to 8 Baltic students – EUR 19 200;

8.3. Use of general purpose donations used in the reporting year for administrative expenses

Administrative expenses in the reporting year from the total amount of general purpose donations used in the reporting year constitutes EUR 5 756.

8.4. Number of beneficiaries

Number of beneficiaries – 63, including 58 beneficiaries from donations received and 5 beneficiaries – from other income. Beneficiaries are also Students of the School, potential students, wider academic and business community as well as community in general.

On behalf of the Members of the Board:

Maksims Jegorovs
Member of the Board

Gunta Jēkabsone
Member of the Board

March 30, 2026

Financial statements

Balance Sheet

	Note	Reporting date	
		31.12.2025 EUR	31.12.2024 EUR
Assets			
Long-term investments			
I. Long-term financial investments			
1. Equity investments	4	1 398 825	1 398 825
Current assets			
I. Cash	5	730 106	835 948
TOTAL ASSETS		2 128 931	2 234 773

	Note	Reporting date	
		31.12.2025 EUR	31.12.2024 EUR
Funds and liabilities			
I. Funds			
1. Capital funds		1 398 825	1 398 825
2. Special purpose funds		86 401	133 454
3. Reserves		622 193	670 705
3.1. Reserves from previous years		670 705	720 972
3.2. Current year's reserves		(48 512)	(50 267)
Total funds	6	2 107 419	2 202 984
II. Short-term liabilities			
1. Other liabilities	8	21 512	31 789
TOTAL FUNDS AND LIABILITIES		2 128 931	2 234 773

Financial statements

Statement of Revenues and Expenses

Item		Note	Reporting period	
			2025 EUR	2024 EUR
I.	Donations and gifts received		14 570	14 274
II.	Other revenues	1	29 751	21 825
III.	Total revenues		44 321	36 099
IV.	Expenses		(139 886)	(135 288)
	Expenses, excluding expenses for performing business activities		(139 886)	(135 288)
1.	Expenses related to statutory objectives	2	(134 130)	(114 015)
2.	Other expenses	3	(5 756)	(21 273)
V.	Total expenses		(139 886)	(135 288)
VI.	Net excess of revenues over expenses		(95 565)	(99 189)

Financial statements

Statement of Donations and Gifts

Item		Reporting period	
		2025 EUR	2024 EUR
I.	Balance at the beginning of the year	456 763	531 563
	- Including cash in bank	456 763	531 563
	1. General purpose donations (for unrestricted use)	363 987	401 640
	2. Special purpose donations	92 776	129 923
II.	Total donations received during the reporting year	14 570	14 274
	- Including cash in bank	14 570	14 274
	1. General purpose donations (for unrestricted use)	-	-
	2. Special purpose donations	14 570	14 274
	2.1. Legal persons registered in Latvia	4 600	5 500
	2.2. Legal persons registered abroad	6 270	6 074
	2.3. Natural persons residents	3 700	2 700
III.	Total use of donations during the reporting year	125 179	89 074
	1. General purpose donations (for unrestricted use)	73 156	37 653
	1.1. Use related to statutory objectives:	67 400	28 800
	1.1.1. For public benefit activities	67 400	28 800
	1.2. Administrative expenses	5 756	8 853
	2. Special purpose donations	52 023	51 421
	2.1. Use related to statutory objectives:	52 023	51 421
	2.1.1. For public benefit activities	52 023	51 421
	2.1.2. Other statutory purposes	-	-
IV.	Balance at the end of the year	346 154	456 763
	- Including cash in bank	346 154	456 763
	- Including anonymous donations and gifts	-	-
	1. General purpose donations (for unrestricted use)	290 831	363 987
	2. Special purpose donations	55 323	92 776

Financial statements

Donors of donations and gifts

No.	Name of the legal or natural person	Registration number or legal person or personal code of natural person	State, address of legal person registered abroad	Amount of donation (in cash or as property) EUR	Purpose of donation (general purpose or special purpose)
I. Legal persons registered in Latvia					
1.	Superia AS	40003728174	-	1 000	Special purpose
2.	Weby SIA	40103647575	-	1 000	Special purpose
3.	Alter Labs SIA	45403057892	-	500	Special purpose
4.	White Label SIA	40103817464	-	1 500	Special purpose
5.	Stockholm School of Economics in Riga SIA	40003162751	-	600	Special purpose
II. Legal persons registered abroad					
1.	Žabolis ir partneriai UAB	303243779	Jogailos g. 4, LT-01116, Vilnius, Lietuva	2 000	Special purpose
2.	Sand Homes LLC	9854123407	501 N BIRCH ROAD APT UNIT 3, FORT LAUDERDALE, FL 33304, USA	4 270	Special purpose
III. Natural persons residents					
1.	Paula Papēde	-	-	3 700	Special purpose

Financial Statements

Detailed information about the use of donations in 2025

No.	Description of the activity	Amount of donations used (EUR)	Amount of donations used (EUR)			Type of use (EUR)				Scope of Public benefit activity	Public benefit target group code	Number of beneficiaries
			For unrestricted use	For special purpose	Anonymous donations	Public benefit	Administrative expenses	Expenses of business activities	Other purposes			
1	2	3	4			5				6	7	8
1	Activity 1	10 923	-	10 923	-	10 923	-	-	-	Charitable activities	15-25 years old people	17
2	Activity 2	48 200	48 200	-	-	48 200	-	-	-	Charitable activities	15-25 years old people	15
3	Activity 3	41 100	-	41 100	-	41 100	-	-	-	Charitable activities	15-25 years old people	18
4	Activity 4	19 200	19 200	-	-	19 200	-	-	-	Charitable activities	15-25 years old people	8
5	Administrative expenses	5 756	5 756	-	-	-	5 756	-	-	-	-	-
Total		125 179	73 156	52 023	-	119 423	5 756	-	-			58

Activity 1 - Scholarships for the best academic results awarded to the School students (Latvia, Lithuania, Ukraine, Kazakhstan, Moldova) by the corporate donors.

Activity 2 - Scholarships for the best academic results awarded to the School students (Latvia, Lithuania, Ukraine, Uzbekistan and Georgia) from the general donations.

Activity 3 - Support for tuition fee waiver coverage for the 2024/2025 academic year to Baltic students.

Activity 4 - Support for tuition fee waiver coverage for the 2nd semester of 2024/2025 and 1st semester of 2025/2026 academic year to Baltic students.

Notes to the Financial Statements

Information on the activities of the organisation

Rīgas Ekonomikas augstskolas – Stockholm School of Economics in Riga Foundation (further - Foundation) operates in accordance with the Associations and Foundations Law.

Summary of general accounting principles

Basis of preparation

The financial statements have been prepared in accordance with the legislation of the Republic of Latvia, Articles of Association of the Foundation and Regulations of the Cabinet of Ministers No. 439 on Annual Reports of Associations, Foundations and Labour Unions and keeping accounts in a simple record system (the Regulations).

Use of estimates

Impairment of equity investment in related companies (the Investment). At the end of every financial year, management of Foundation evaluates potential impairment of equity investment. As to assess its impact, the Foundation's management determined the value of the Investment according to net asset value method by taking into account unrestricted cash in possession of Foundation which the latter could inject into the related company. Based on these computations, no impairment loss was identified.

Accounting principles

The financial statements were prepared in accordance with the following policies:

- a) going concern assumption that the Foundation will continue as a going concern.
- b) consistency in measurement and disclosure of items from year to year.
- c) items are measured prudently:
 - the financial statements include only donations collected on bank accounts by the date of the balance sheet;
 - the financial statements take into account all incurred liabilities and current or prior year losses even if identified after the balance sheet date but before clearance of the financial statements.
- d) except for donations received, other income and expense items incurred during the reporting year have been taken into consideration irrespective of the payment date or date when the invoice was issued or received. This derogation from applicable legislation, according to management, ensures more accurate disclosure of the Foundation's financial results of operations.
- e) assets and liabilities are not subject to netting.
- f) all material items, which would influence the decision-making process of users of the financial statements, have been presented separately, and insignificant items have been combined.
- g) transactions are recorded taking into account their economic contents and substance, not the legal form.

Accounting policy

a) Foreign currencies

All amounts in these financial statements are expressed in the official currency of the Republic of Latvia – euro (EUR). Foreign currency transactions are translated into EUR applying the official exchange rate established by the European Central Bank at the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate set by the European Central Bank at the balance sheet date.

b) Cash

Cash is represented by amounts held with Banks within current accounts.

c) Reserves

In accordance with applicable legislation, the difference between revenues and expenses is transferred to the reserves.

Notes to the financial statements

d) Special Purpose funds

Special purpose funds are comprised of donations, grants and other financing, which can only be used for specific purposes stated in donation or grant agreements. Balance sheet item “Special purpose funds” includes unused remaining balance of special purpose donations, as well as grants and other financing.

e) Capital funds

Capital funds are comprised of in-kind contribution in the form of shares of the Stockholm School of Economics in Riga invested by the founders of the Foundation. The Foundation is the sole shareholder of the Stockholm School of Economics in Riga SIA.

f) Equity investment in related company

Equity investments in related company is carried at cost less any accumulated impairment losses, if applicable. The Foundation recognises income from the investment only to the extent that the Foundation receives distributions from accumulated profits of the investee arising after the date of acquisition. Distributions received in excess of such profits are regarded as a recovery of the investment and are recognised as a reduction of the cost of the investment.

The carrying value of investment is reviewed for impairment when events or changes in circumstances indicate that the carrying value of investment exceeds its recoverable values. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs to sell and value-in-use. An impairment charge is reversed if the asset's recoverable amount exceeds its carrying amount.

g) Grants

Grants represent amounts received from state government institutions irrespective of their jurisdiction.

h) Other expenses

- Fees for legal services;
- Expenses for the audit of the annual report;
- Other expenses.

i) Taxes

The Foundation is not subject to corporate income tax.

j) Revenue recognition

Donations received include donations collected on bank accounts of the Foundation. In-kind donations are valued in monetary terms, based on the value stated in the documents of entitlement for the donation.

Other revenues include revenues gained from Foundation's financing activities, financing received from other associations, foundations and trade unions and recharge of costs, unless recharge of costs is incurred on behalf of other parties in which case they are netted with respective costs.

Notes to the financial statements

Notes to the Statement of Revenues and Expenses and the Balance Sheet

Note 1

Other revenues

	2025 (EUR)	2024 (EUR)
Funding received from other associations and foundations	5 200	21 100
Deposit interest income	2 808	725
Income from foreign exchange rate fluctuations	21 743	-
Total:	29 751	21 825

Note 2

Expenses related to statutory objectives

	2025 (EUR)	2024 (EUR)
Scholarships to students, including from:	64 230	34 815
- Donations received	59 030	11 440
- Funding received from other associations and foundations	5 200	23 375
Support for tuition fee waiver coverage for Baltic states students according Articles of Association, including from:	69 900	79 200
- Donations received	60 300	68 700
- Funding received from other associations and foundations	9 600	10 500
Total:	134 130	114 015

Note 3

Other expenses

	2025 (EUR)	2024 (EUR)
Loss from foreign exchange rate fluctuations	-	12 399
Legal fees	1 398	3 969
Expenses for the audit of the annual report	3 327	3 267
Bank commissions and services	383	368
Travel cost compensations to members of the Board	648	1 270
Total:	5 756	21 273

Note 4

Equity investments

	31.12.2025 (EUR)	31.12.2024 (EUR)
Investment in the share capital of Stockholm School of Economics in Riga SIA	1 398 825	1 398 825
Total:	1 398 825	1 398 825

Note 5

Cash

	31.12.2025 (EUR)	31.12.2024 (EUR)
Current accounts in banks:		
SEK	393 366	371 482
EUR	336 740	464 466
Total:	730 106	835 948

Notes to the financial statements

Note 7

Funds

There are three types of funds in the Foundation: (1) capital fund, which are comprised of long term investments (see note 4), (2) special purpose fund, which include special purpose donations and their disposition for specific objectives, and (3) unrestricted reserves, which can be used for objectives stated in the articles of association of the Foundation.

	Capital fund EUR	Special purpose funds EUR	Reserves EUR	Total Funds EUR
Balance at 31.12.2024	1 398 825	133 454	670 705	2 202 984
Revenues	-	19 677	24 644	44 321
Expenses	-	(66 730)	(73 156)	(139 886)
Balance at 31.12.2025	1 398 825	86 401	622 193	2 107 419

Note 8

Taxes and State Social Insurance Contributions payable

	31.12.2025. (EUR)	31.12.2024. (EUR)
State social insurance contributions	-	-
Personal income tax	-	-
Kopā:	-	-

Note 9

Other liabilities

	31.12.2025 (EUR)	31.12.2024 (EUR)
Accounts payable	19 848	30 155
Accrued liabilities for the audit	1 664	1 634
Total:	21 512	31 789

Note 10

Employees

The Foundation has recruited two persons for voluntary duties based on agreement about voluntary work in accordance with the article 8 of the Associations and Foundations Law. The members of the Management Board provide their contribution without remuneration, as foreseen in part 1 of article 47 of the Associations and Foundations Law.

On behalf of the Members of the Board:

Maksims Jegorovs
Member of the Board

Gunta Jēkabsonsone
Member of the Board

The financial statements were prepared by Ilga Beča, the Financial Controller.

March 30, 2026