



Envipco

A Recycling Technology Leader Creating a Cleaner World for Future Generations

Company presentation | August 2024

Disclaimer

THIS PRESENTATION may contain forward looking statements. These statements are based on current expectations, estimates and projections of Envipco's management and information currently available to the company. Envipco cautions that such statements contain elements of risk and uncertainties that are difficult to predict and that could cause actual performance and position to differ materially from these statements. Envipco disclaims any obligation to update or revise any statements made in this presentation to reflect subsequent events or circumstances, except as required by law. Certain figures in this presentation, including financial data, have been rounded. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an exact arithmetic aggregation of the figures which precede them.

A global recycling technology company set for growth

- **Engaging a vast global market opportunity**, mainly driven by deposit legislation rolled out across all EU countries
- **Captured leading position in European growth markets**, building on ~40% market share in North America and global Tier 1 customers
- **Ready to capture new markets as legislation matures**, with ample production capacity in the U.S, Germany, and Romania, and right-sized organization across European growth markets
- **Approaching inflection point for sustained profitability** with revenue tripled since 2021, economies of scale and gross margin expansion
- **Executed by seasoned team** with extensive cross-functional experience

Building from...

EUR 114.7 million

LTM Q2 24 revenues

3.0x

revenue multiple 2021 – LTM Q2 24

35.6%

Q2 24 gross margin

...with 2025 ambition

4 – 6x

revenue growth from 2021

+30%

market share in new markets

40%

gross margin

Why we continue to win with our customers



Broad and proven product portfolio
addressing all customer segments

Proven track record with world leading retailers
showing our quality and commitment

Ample production capacity
in USA, Germany and Romania with the capacity to serve large Tier 1 retailers

Consultative approach
addressing customers' unique needs first and then designing a solution

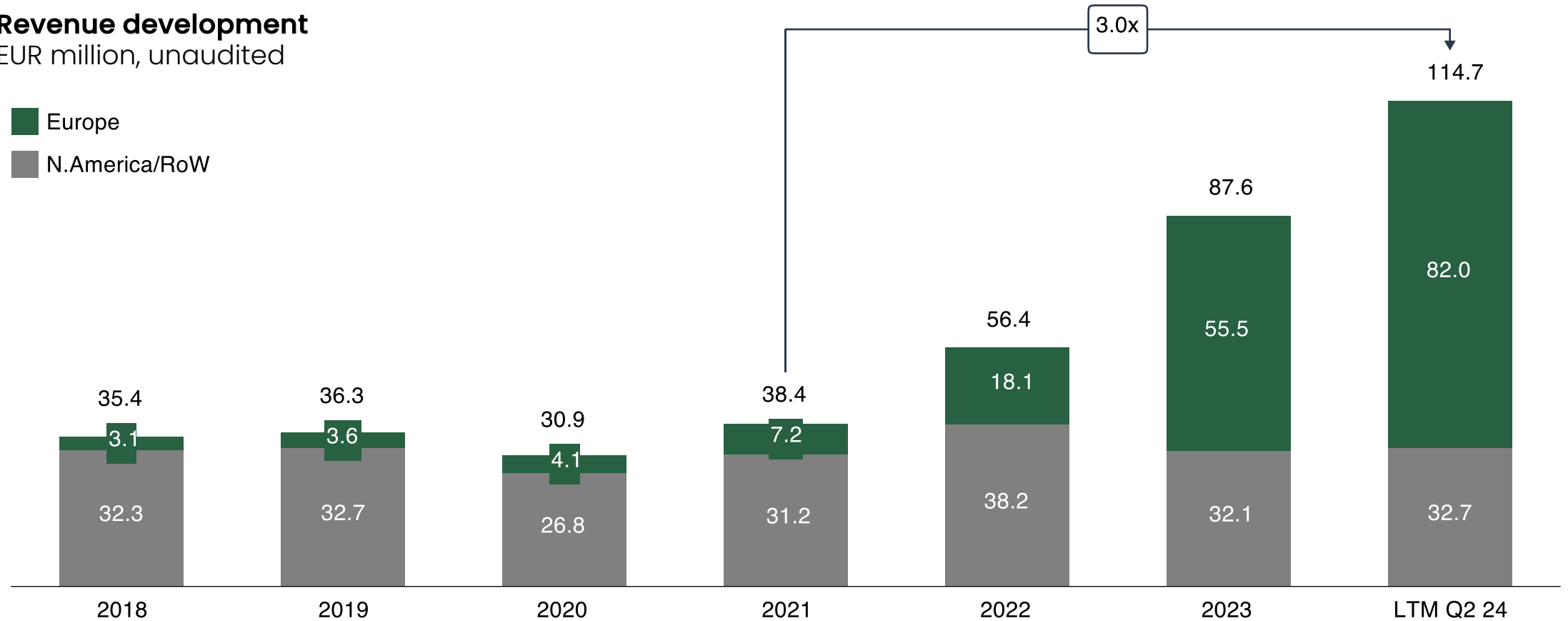
Differentiating Envipco from our competitors

Delivering on European growth strategy

Revenue development EUR million, unaudited

■ Europe

■ N.America/RoW



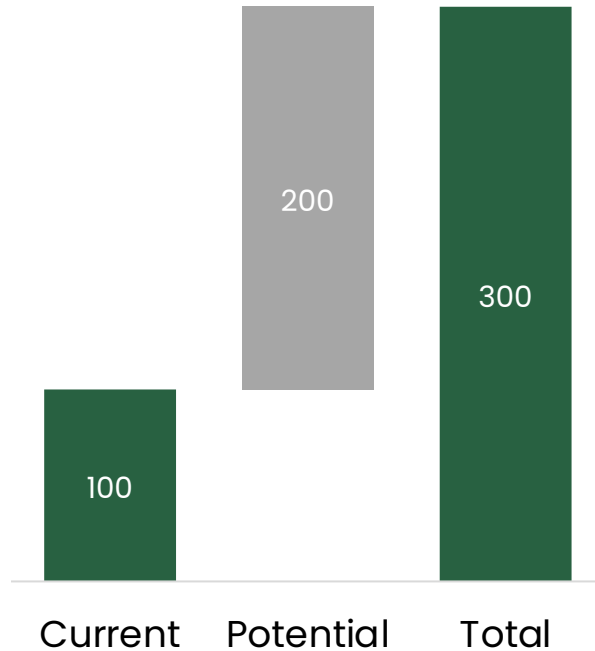
Increased awareness and legislative initiatives largely driven by maturing North American Market

DRS second wave (EU)

1) Gross sales.

Vast market opportunity

Market potential (k units)



EUR 18 – 25k
Average RVM price

EU Packaging and Packaging Waste Regulation (PPWR)

90%

Collection rate for plastic bottles and cans using DRS by 1 January 2029*

25%

Minimum recycled content in PET bottles by 2025

30%

Minimum recycled content in PET bottles by 2030

Interoperable national UK DRS

1 Deposit Management Organization (DMO) appointed

By Spring 2025

2 DMOs set up and employed with secured funding and key policies

By Spring 2026

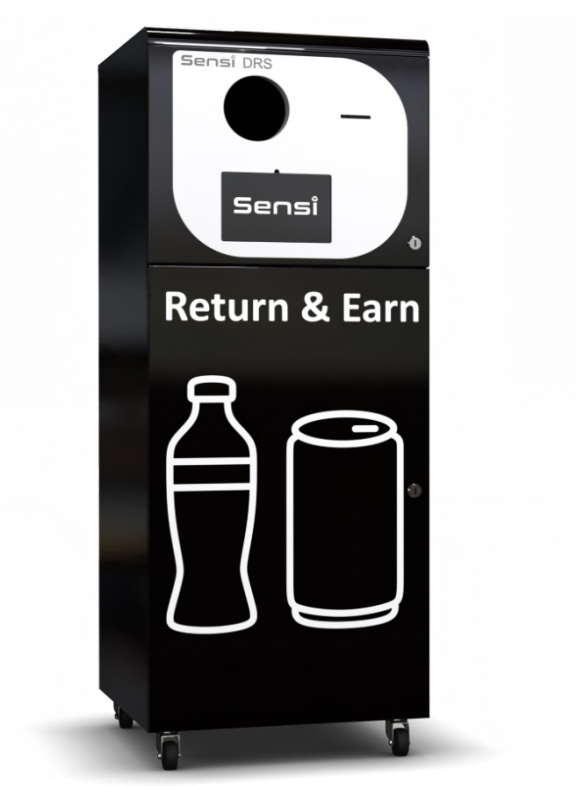
3 Roll-out of infrastructure, systems, logistics and RVM procurement/installation

Spring 2026 through Q3 2027

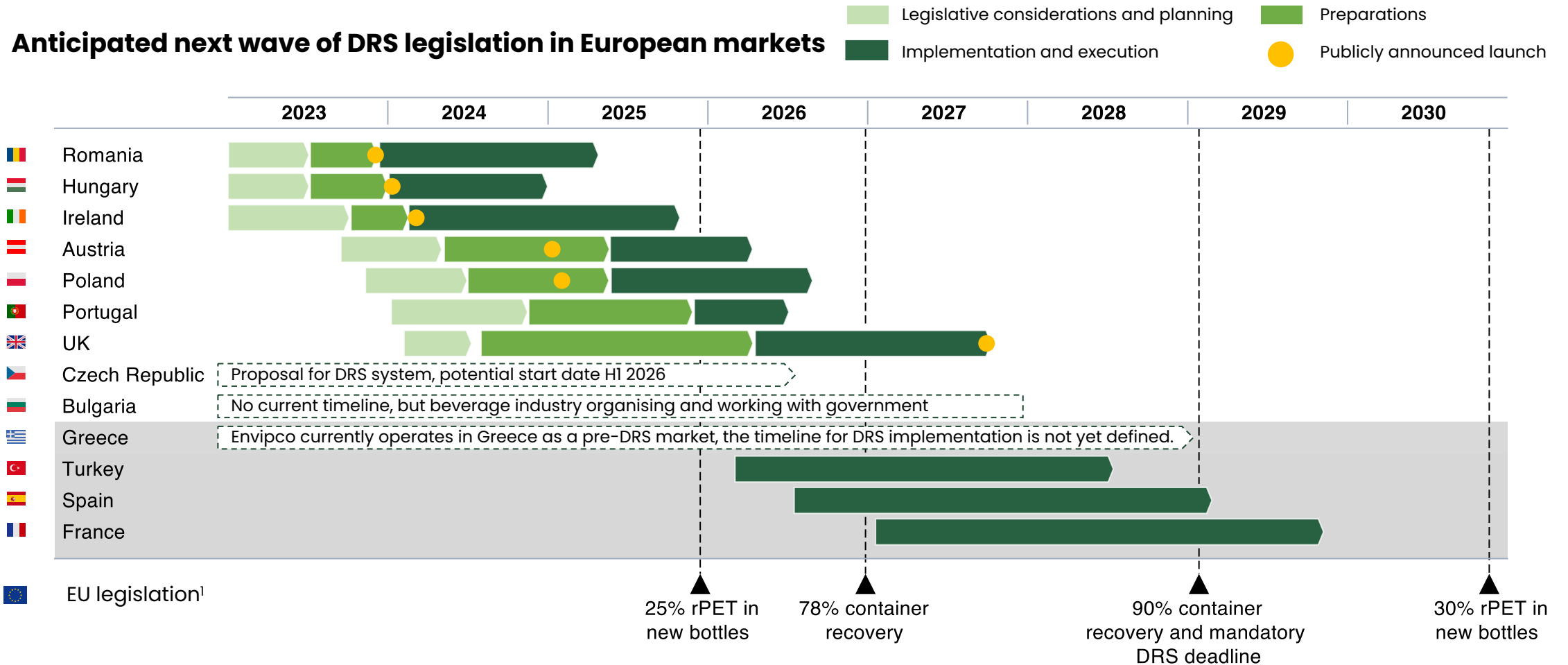
Advancing positioning into C-store segment

Envipco acquired Sensibin Limited

- Sensibin Limited is a Dublin, Ireland-based company offering an innovative, customer friendly and cost-efficient RVM
 - Currently the lowest-cost RVM in the market with an installed base in Ireland
- A powerful addition to Envipco
 - Broadening of Envipco's portfolio and adding innovative technology
 - Advancing our position in the rapidly growing convenience store segment
 - Improving value proposition towards Tier-1 retailers
 - Envipco provides strong strategic match to broaden Sensibin market footprint
- Financial considerations
 - Mix of up-front payment (€1.5m), milestone payment (€0.5m) on new market wins, and 2-year earnout tied to gross profit contribution (up to €6m).
 - Total payment based on performance could be up to EUR 8m



Markets prioritized from DRS second wave



1) Key milestones taken from Regulation of the European parliament and of the council on packaging and packaging waste, amending Regulation (EU) 2019/1020 and Directive (EU) 2019/904, and repealing Directive 94/62/EC.

Financial highlights

Profit & Loss	2021	2022	2023	LTM
(EURm)				
N.America/RoW	31.2	38.2	32.1	32.7
Europe	7.2	18.1	55.5	82.0
Revenues	38.4	56.4	87.6	114.7
Growth y/y	25%	47%	55%	101%
Gross margin	35%	33%	35%	35%
EBITDA¹	5.9	2.3	8.8	15.3
Operating earnings ¹	2.1	-2.7	2.7	8.2
Pretax earnings ¹	1.3	-4	1.6	6.2
Net earnings ¹	0.7	-4.2	1.4	5.4

Financial position	2021	2022	2023	Q2 24
(EURm)				
Fixed assets	19.8	25.7	29.8	32.5
Current assets	28.9	36.7	56.1	63.5
Cash	3.4	165.5	12.5	24.4
Total assets	52.1	78.9	98.4	120.4
Equity	30.8	27.9	42	67.2
Long-term debt	6.6	12.3	12.5	16.0
Short-term liabilities	14.7	38.6	43.9	37.2
Total debt & equity	52.1	78.9	98.4	120.4

1) Includes other income of EUR 3.6m in 2021, EUR 2.0m in 2022, EUR 0.5 in 2023, and EUR 0.2m in Q1 24.

Delivering strong growth in existing markets

in EUR millions, unaudited	Q2 24	Q2 23	H1 24	H1 23
Revenues	26.6	16.5	54.0	26.9
- Europe	17.3	8.4	37.2	10.7
- North America & RoW	9.3	8.1	16.8	16.2
Gross Profit	9.5	5.7	19.1	9.2
Gross profit %	35.6%	34.5%	35.3%	34.2%
Operating Expenses	8.8	7.2	17.9	12.9
EBIT	0.6	(1.5)	1.7¹	(3.7)
Net profit/(loss) after taxes and minorities	(0.5)	(1.8)	(0.4) ¹	(4.4)
EBITDA	2.6	(0.1)	5.6¹	(1.0)

Q2 24

- Group revenues EUR 26.6m (+61% y/y)
- Gross margin 35.6%, up from 34.5% in Q2 23
 - Gross earnings +66% y/y to EUR 9.5m
- Operating expenses EUR 8.8m (+23% y/y)
- EBITDA EUR 2.6m (-0.1m)
 - EBITDA margin 9.6%, up from -0.5% in Q2 23

H1 24

- Group revenues +101% y/y to EUR 54.0m
- Europe revenues +248% y/y to EUR 37.2m, driven by advances in Hungary, Romania and Greece.
- Gross margin 35.3%, gross profit EUR 19.1m, +107% y/y
- EBITDA EUR 5.6m² for a margin of 10.3%

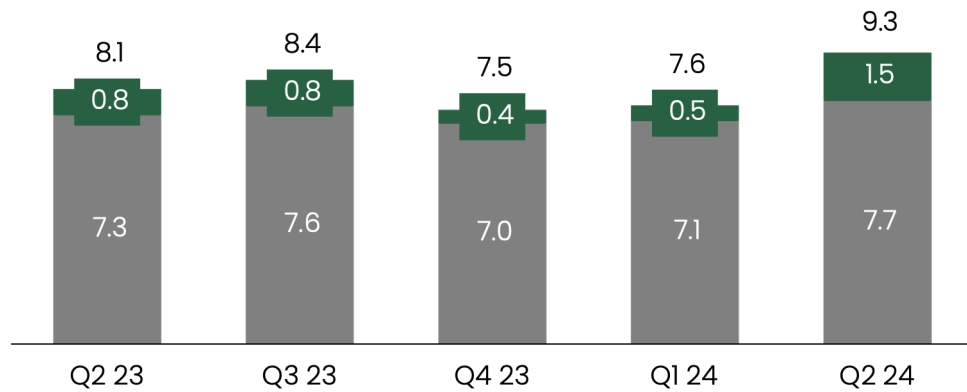
1) Includes EUR 0.2m other income from resale of UK inventory

2) Q1 23 restated on IFRS 16 adjustments

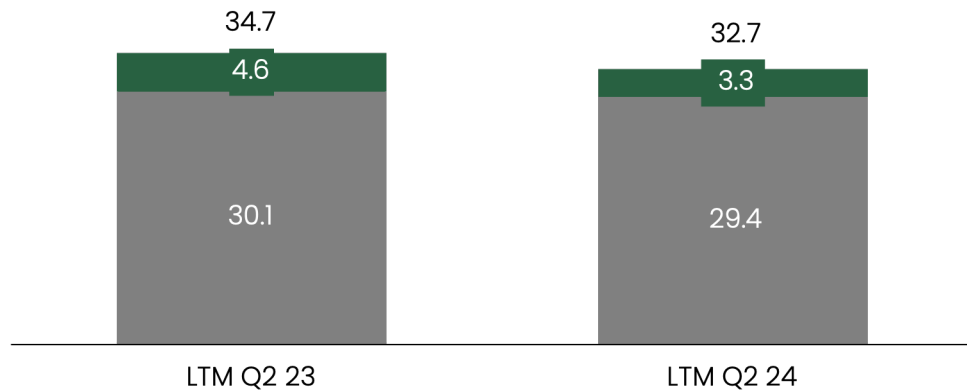
North America

Quarterly revenues (EUR million, unaudited)

■ RVM sales ■ Program services



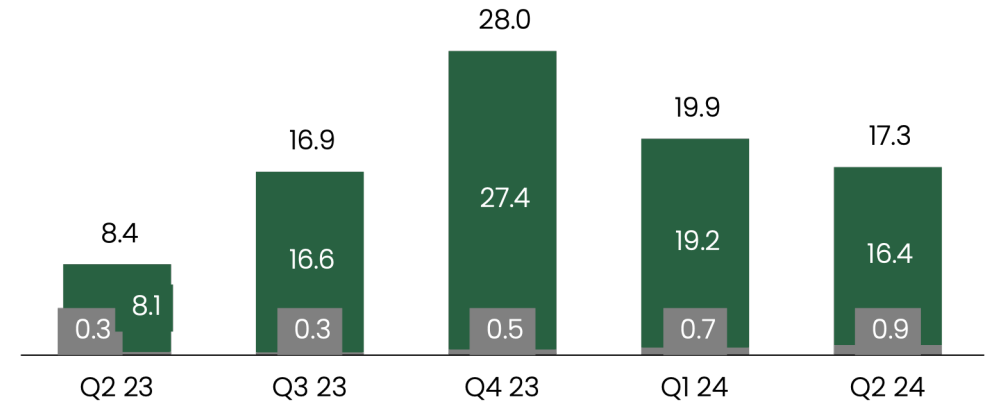
LTM revenues (EUR million, unaudited)



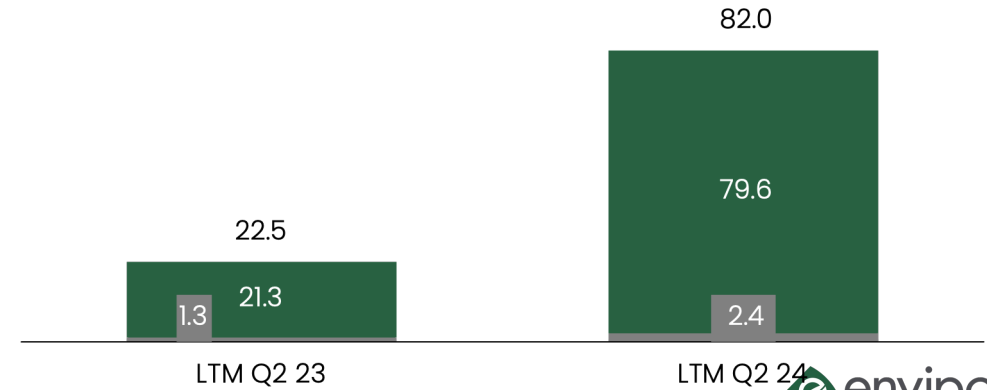
Europe

Quarterly revenues (EUR million, unaudited)

■ RVM sales ■ Program services



LTM revenues (EUR million, unaudited)



Envipco share overview

Share description

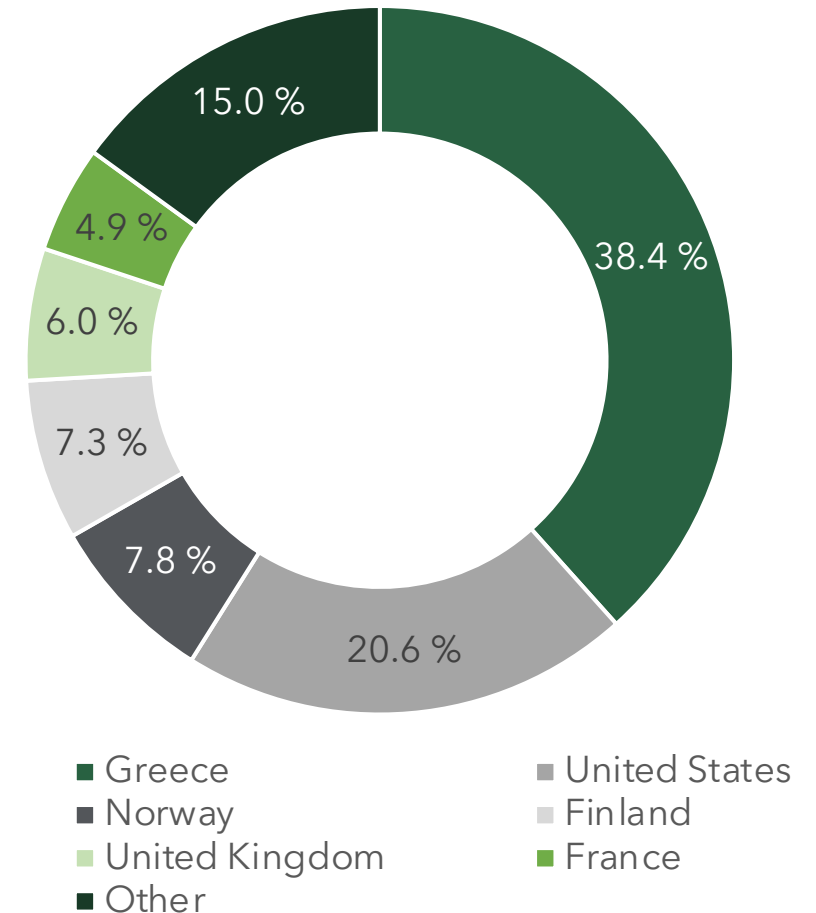
- Listed at Euronext Amsterdam: Ticker ENVI
- Listed at Euronext Growth Oslo – Ticker ENVIP
- Market capitalization: NOK 3.8b / EUR 320m¹
- # of shares outstanding: 57.7 million



Top 10 Shareholders July 2024

Name	Shares	% share
Greg Garvey & family	7,351,980	12.7%
K.E. Kilduff Bouri	4,957,667	8.6%
Marc A. Bourci	2,974,600	5.2%
Charles A. Bouri	2,974,600	5.2%
Maurice A. Bouri	2,974,600	5.2%
Vanda A. Bouri	2,974,600	5.2%
SE Banken AB (nom)	2,974,600	5.2%
Otus Cap. Mgt	2,785,195	4.8%
Lazard Freres Gestion	2,230,000	3.9%
DNB Asset Management	2,094,907	3.6%

Shareholdings by country²



1) As of 19.08.2024. 2) as of 2023

Our journey ahead

Continue to delivering on our growth strategy

- EU Packaging and Packaging Waste Regulation (PPWR) and UK DRS enabling vast European market opportunity
- Securing leading market position in key new growth markets

Promising revenue outlook for 2024 and beyond

- Greece, Hungary, Romania and Ireland to drive 2024 revenues
- DRS momentum in new markets supports positive long-term outlook

Committed to 40% gross margin target

- Expect improved gross margins and operational gearing

Market share in new markets

+30%

Revenue growth 2021 – 2025

4x – 6x

Gross margin

40%

Q&A

VÄLKOMMEN
ALLA DAGAR 7-23

Panta här

MA
ICA STORM

Pantstation

Panta för en god morgondag

Pantstation

Panta för en god morgondag

Återvin
din pant

Genom att panta
klimat smart och ha
ännu mer för en god
skänka din pant. Det

Återvin
din pant

FÖR EN GOD
MORGONDAG

Återvin
din pant

ICA

A photograph showing a collection of repurposed plastic bottles of various shapes and sizes, each filled with water and holding a bouquet of different flowers. The bottles are arranged on a reflective surface in front of a multi-story apartment building with many windows. The scene is brightly lit, suggesting daytime. The word "Appendix" is overlaid in white text in the center of the image.

Appendix

Quantum

The bulk feed champion





Modula
Adaptable high-speed backroom solution



Flex & Optima

Profit & Loss*

in EUR thousands	Q2 24	Q2 23	Q1 24 ¹	Q1 24 ²	HI 24	HI 23
Revenues	26,569	16,477	27,436	27,436	54,005	26,885
Cost of sales	(17,112)	(10,797)	(17,814)	(17,831)	(34,926)	(17,679)
Gross Profit	9,457	5,680	9,623	9,606	19,079	9,207
Selling and distribution expenses	(999)	(607)	(1,133)	(1,133)	(2,132)	(1,249)
General and administrative expenses	(7,452)	(6,301)	(7,046)	(7,046)	(14,798)	(11,086)
Research and development expenses	(380)	(264)	(590)	(590)	(970)	(609)
Other income	17	(0)	229	229	246	1
Operating Results	642	(1,493)	1,082	1,065	1,724	(3,736)
Financial expense	(831)	(189)	(515)	(479)	(1,347)	(422)
Financial income	17	24	18	18	35	23
Net finance (cost) and or income	(814)	(1,044)	(497)	(461)	(1,311)	(399)
Results before tax	(172)	(1,658)	585	604	413	(4,135)
Income taxes	(362)	(140)	(458)	(458)	(820)	(234)
Net Results	(534)	(1,798)	127	146	(407)	(4,370)
<i>Other comprehensive income</i>						
<i>Items that will be reclassified subsequently to profit and loss</i>						
Exchange differences on translating foreign operations	163	25	707	687	869	(693)
Total other comprehensive income	163	25	707	687	869	(693)
Total comprehensive income	(371)	(1,773)	833	833	462	(5,063)
Profit attributable to:						
Owners of the parent	(532)	(1,796)	128	147	(406)	(4,374)
Non-controlling interests	(1)	(2)	(1)	(1)	(1)	4
Total Profit/(loss) for the period	(534)	(1,798)	127	146	(407)	(4,370)
Total comprehensive income attributable to:						
Owners of the parent	(370)	(1,771)	835	834	463	(5,067)
Non-controlling interests	(1)	(2)	(1)	(1)	(1)	4
Total comprehensive income	(371)	(1,773)	833	833	462	(5,063)
Number of weighted average (exclude treasury shares) shares used for calculations of EPS	57,690	51,690	53,009	53,009	55,350	51,690
Earnings/(loss) per share for profit attributable to the ordinary equity holders of the parent during the period						
- Basic (euro)	(0.01)	(0.03)	0.00	0.00	(0.01)	(0.08)

* Unaudited figures. ¹Q1 24 financials have been restated on IFRS 16 adjustments. ²Originally published Q1 24

Balance sheet*

in EUR thousands	Note	30.06.24	31.03.24 ¹	31.03.24 ²	31.12.23 ¹	30.06.23
Assets						
Non-current assets						
Intangible assets		8,954	9,222	9,292	9,170	9,309
Property, plant and equipment		19,372	20,772	19,274	16,985	15,024
Financial assets		2,315	1,899	1,899	1,499	33
Deferred tax assets		1,873	1,812	1,973	2,153	1,938
Total non-current assets		32,516	33,706	32,439	29,807	26,304
Current assets						
Inventory		37,297	35,369	35,463	32,244	34,605
Trade and other receivables		26,236	25,570	25,022	23,890	18,157
Cash and cash equivalents		24,355	33,473	33,473	12,458	7,185
Restricted cash		-	-	-	-	340
Total current assets		87,888	94,412	93,958	68,592	60,287
Total assets		120,404	128,118	126,397	98,399	86,591

in EUR thousands	Note	30.06.24	31.03.24 ¹	31.03.24 ²	31.12.23 ¹	30.06.23
Equity						
Share capital		2,885	2,885	2,885	2,585	2,585
Share premium		95,606	95,504	95,504	71,021	70,867
Translation reserves		5,379	5,217	5,197	4,510	4,898
Legal reserves		7,606	7,732	7,732	7,725	7,880
Retained earnings		(44,314)	(43,780)	(42,945)	(43,908)	(48,884)
Equity attributable to owners of the parent		67,161	67,557	68,372	41,933	37,345
Non-controlling interests		41	40	45	41	43
Total equity		67,201	67,597	68,416	41,974	37,388
Liabilities						
Non-current liabilities						
Borrowings		11,801	13,500	13,500	9,312	16,857
Lease liabilities		2,616	3,220	2,584	2,222	2,244
Other liabilities		819	436	182	375	120
Provisions		705	763	-	549	-
Deferred tax liability		49	48	48	50	-
Total non-current liabilities		15,988	17,967	16,314	12,508	19,222
Current liabilities						
Borrowings		7,398	6,072	6,072	7,363	3,456
Trade creditors		15,196	20,456	20,079	18,520	15,444
Accrued expenses		8,457	9,309	9,014	11,171	8,427
Provisions		1,401	1,588	2,325	1,429	454
Lease liabilities		1,696	1,904	1,077	830	1,026
Tax and social security		3,065	3,226	3,100	4,604	1,174
Total current liabilities		37,214	42,556	41,667	43,917	29,981
Total liabilities		53,203	60,522	57,981	56,425	49,203
Total equity and liabilities		120,404	128,119	126,397	98,399	86,591

* Unaudited figures. ¹Restated on basis of audited 2023 accounts. ²Originally published Q1 24

Cash Flow Statement*

in EUR thousands	Q2 24	Q2 23	HI 24	HI 23	Q1 24 ¹	Q1 24 ²
Cashflow from operating activities						
Operating results	642	(1,493)	1,724	(3,736)	1,082	1,065
Adjustment for:						
Depreciation & Amortization	1,919	1,407	3,864	2,785	1,945	1,676
Deferred revenue	(1,246)	-	(3,837)	-	(2,591)	-
Changes in:						
Changes in trade and other receivables	(1,710)	(1,111)	(4,397)	(4,967)	(2,686)	(2,697)
Changes in inventories	(1,689)	(4,796)	(3,961)	(11,176)	(2,273)	(2,367)
Changes in provisions	(250)	83	111	(220)	361	361
Changes in trade and other payables	(4,414)	16,506	(4,786)	6,695	(372)	(135)
Cash generated from operations	(6,748)	10,596	(11,281)	(10,619)	(4,533)	(2,098)
Interest received and paid	(12)	39	(450)	(198)	(438)	(482)
Income taxes paid	(7)	(140)	(92)	(234)	(85)	(92)
Net cash flow from operating activities	(6,766)	10,495	(11,823)	(11,052)	(5,057)	(2,672)
Investing activities						
Development expenditure, patents	(229)	(901)	(748)	(1,320)	(519)	(519)
Investments in property, plant & equipment	(1,097)	(1,158)	(1,520)	(1,491)	(423)	(423)
Net cash flow used in investing activities	(1,326)	(2,058)	(2,268)	(2,811)	(942)	(942)
Financial activities						
Proceeds of share issue	(24)	-	24,748	14,514	24,771	24,789
Changes in share lending facility		(15,000)	-	(15,000)	-	-
Changes in borrowings – proceeds	255	9,000	3,215	9,000	2,960	2,960
Changes in borrowings – repayments	(702)	(1,290)	(928)	(1,369)	(226)	(226)
Changes in shareholder loan	-	-	-	(1,638)	-	-
Changes in lease liabilities	(530)	(296)	(1,042)	(562)	(512)	(347)
Net cash flow from financing activities	(1,001)	(7,586)	25,991	4,945	26,993	27,175
Net increase/(decrease) in cash and cash equivalents	(9,094)	851	11,900	(8,917)	20,994	23,561
Opening position	33,473	6,343	12,458	16 121	12,458	9,890
Foreign currency differences on cash and cash equivalents	(24)	(8)	(3)	(18)	21	22
Closing position	24,355	7,185	24,355	7,185	33,473	33,473
The closing position consists of:						
Cash and cash equivalents	24,355	7,185	24,355	7,185	33,473	33,473
Total closing balance in cash and cash equivalents	24,355	7,185	24,355	7,185	33,473	33,473

* Unaudited figures. ¹Restated on basis of audited 2023 accounts. ²Originally published Q1 24 report

