

Results Presentation



21 November 2024

Disclaimer

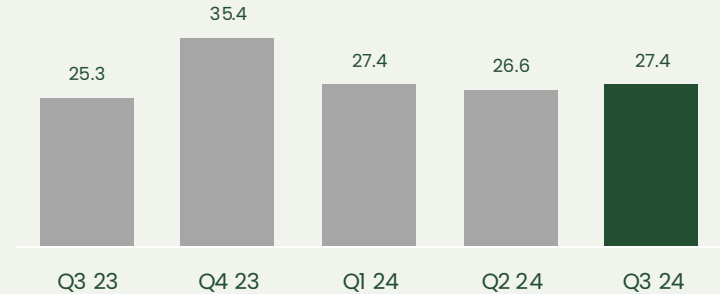
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Financial Highlights Q3 24

- Group revenues EUR 27.4m (+9% y/y)
- LTM revenues EUR 116.9m (+78% y/y)
- Gross margin 36.6% with gross profit EUR 10.0m
- Adjusted EBITDA EUR 2.9m, 10.5% margin
- Improved working capital management with ending cash balance EUR 28.7m

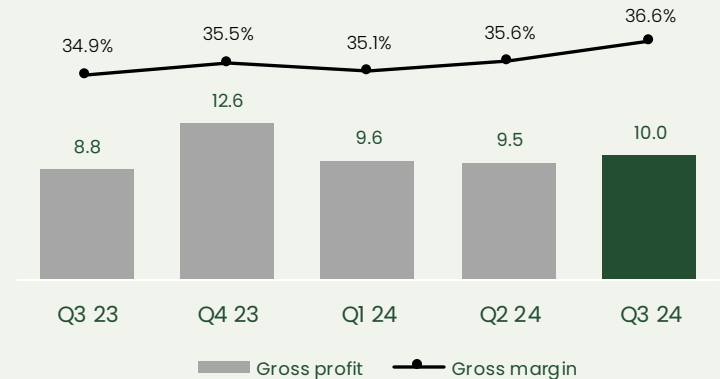
Revenue development

EUR million, unaudited



Gross profit development

EUR million, unaudited



Operational highlights Q3 24

Continued growth in existing markets, solid operational execution, investing for the future

- Continued growth from existing markets
 - Romania, Hungary and Greece
- Quantum into the Netherlands
 - Strong collection statistics
 - Pursuing new BD opportunities
- Building for the future to secure market position
 - Sensibin to support our targets
 - Investing in team, markets and systems



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 sustained profitability with revenue tripled since 2021, economies of scale and gross margin expansion
- Executed by a seasoned team with extensive cross-functional experience

Building from...

EUR 116.9 million
LTM Q3 24 revenues

3.0x
revenue multiple 2021 – LTM Q3 24

36.6%
Q3 24 gross margin

...with 2025 ambition

4 – 6x
revenue growth from 2021

+30%
market share in new markets

40%
gross margin



Financial review

Executing on growth in existing markets

in EUR millions, unaudited	Q3 24	Q3 23	YTD 24	YTD 23
Revenues	27.4	25.3	81.5	52.2
- Europe	18.3	16.9	55.5	27.6
- North America & RoW	9.1	8.4	25.9	24.6
Gross Profit	10.0	8.8	29.1	18.0
Gross profit %	36.6%	34.9%	35.7%	34.6%
Operating Expenses	10.0	6.6	27.6	19.5
EBIT	0.1	2.2	1.8¹	(1.5)
Net profit/(loss) after taxes and minorities	(0.5)	1.7	(0.9) ¹	(2.7)
EBITDA adj	2.9	3.8	8.5¹	2.9
EBITDA	1.7	3.8	7.3	2.9

Q3 24

- Group revenues EUR 27.4m (+9% y/y)
- Gross margin 36.6%, up from 34.9% in Q3 23
 - Gross earnings EUR 10.0m, +14% y/y
- Operating expenses EUR 10.0m (+23% y/y) include non-recurring items EUR 1.1m
- EBITDA EUR 1.7m with EBITDA adj EUR 2.9m
 - EBITDA adj margin 10.5%

YTD 24

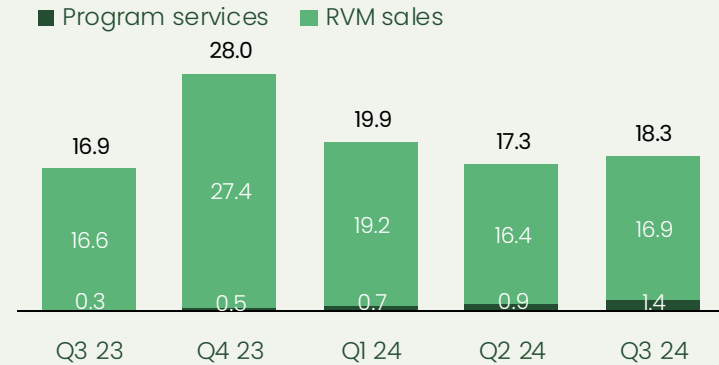
- Group revenues +56% y/y to EUR 81.5m
- Gross margin 35.7% (34.6%)
- EBITDA adj EUR 8.5m for a margin of 10.4%

Europe

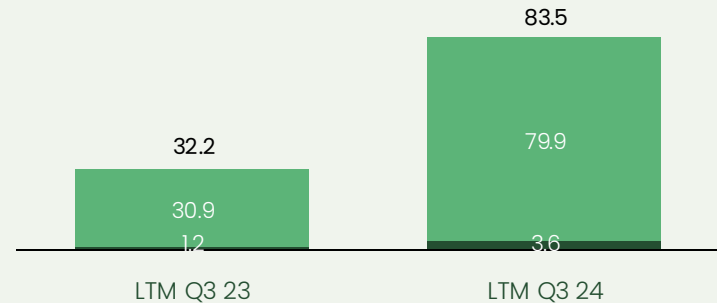
Q3 24

- Q2 revenues EUR 18.3m, +9% y/y
- RVM sales EUR 16.9m, driven by Romania, Hungary and Greece
- Program services EUR 1.4m, +427% y/y.
Envipco generates limited service revenue during DRS startup and warranty periods
- LTM revenues Europe EUR 83.5m, +159% y/y

Quarterly revenues (EUR million, unaudited)



LTM revenues (EUR million, unaudited)



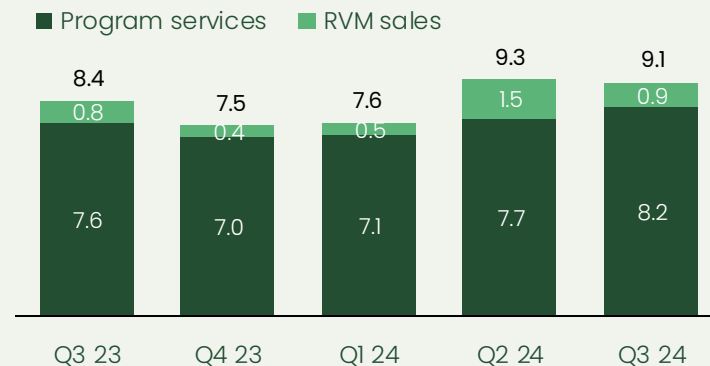
North America

Q3 24

- Revenues of EUR 9.1m (+8% y/y)
- Program services revenues up 8% y/y to EUR 8.2m
- RVM sales of EUR 0.9m, +8% y/y
- LTM revenues in North America EUR 33.4m

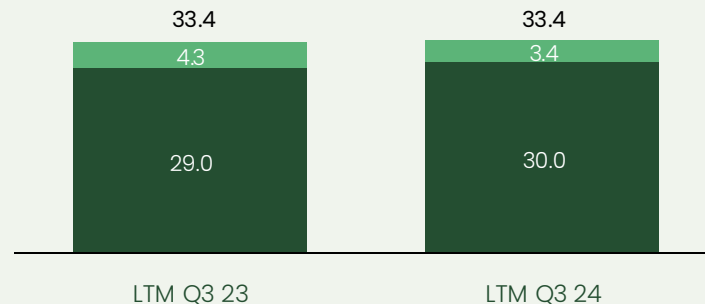
Quarterly revenues

(EUR million, unaudited)



LTM revenues

(EUR million, unaudited)

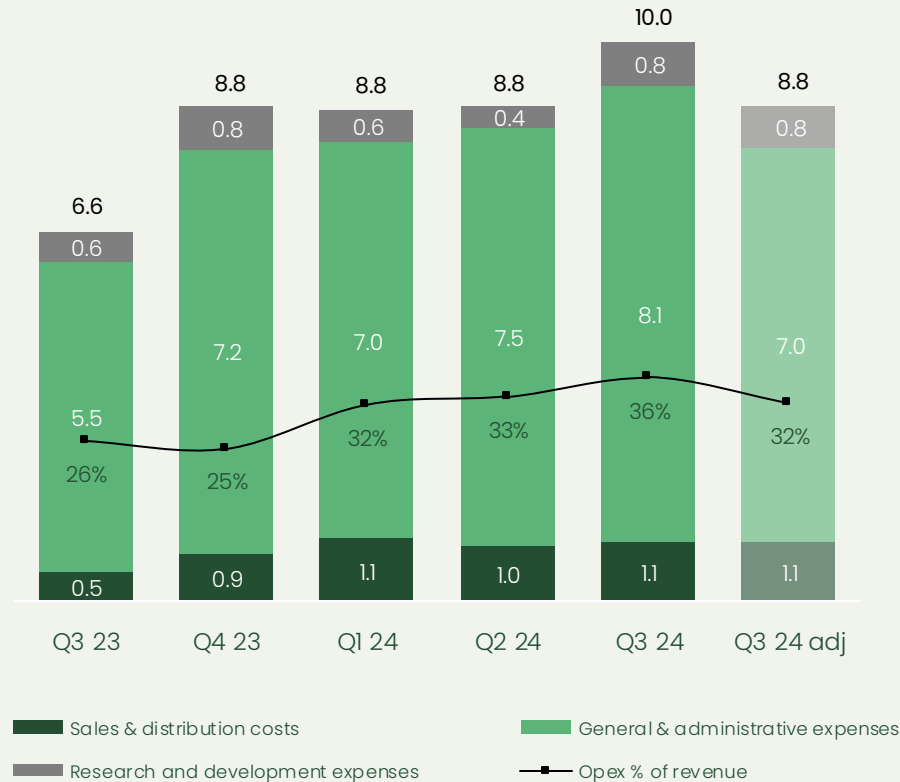


Building for the future

Q3 24

- Operating costs up 51% y/y to EUR 10.0m
 - G&A expenses EUR 8.1m (5.5m)
 - S&D cost EUR 1.1m (0.5m)
 - R&D expenses EUR 0.8m (0.6m)
- Non-recurring costs EUR 1.1m in Q3 24
 - Sensibin acquisition, uplisting on OSE, extended audit and severance payments
 - Opex adj EUR 8.8m, flat vs previous quarters
- 417 employees at end Q3 24

Operating expenses
(EUR million, unaudited)

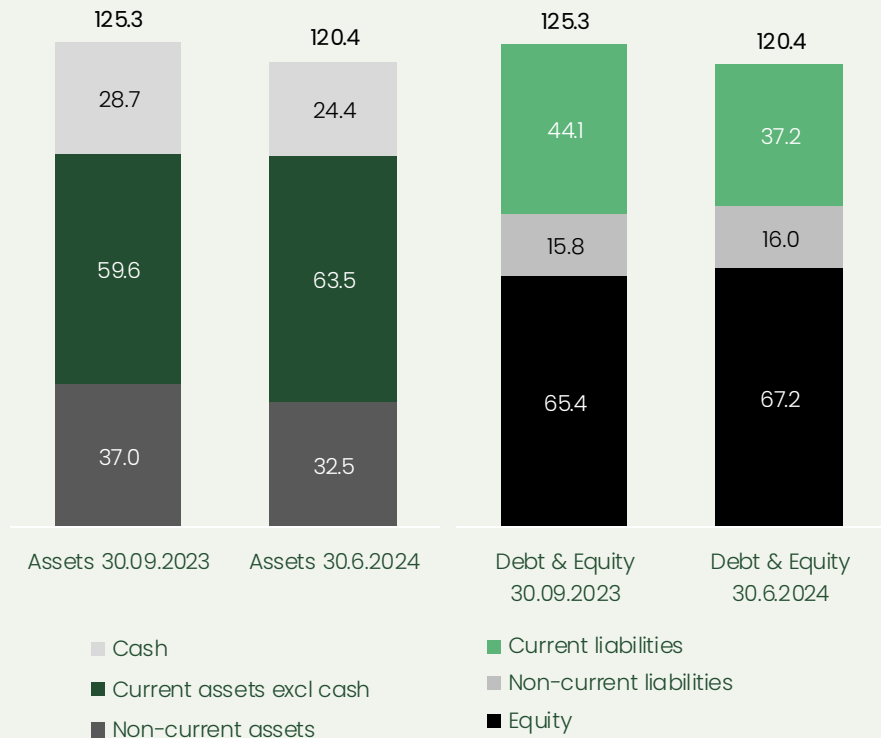


Financial position

Q3 24

- Non-current assets EUR 37.0m (32.5)
 - Primarily PPE EUR 17.7m and intangible assets EUR 15.1m from activated development expenses and EUR 6.6m identified intangibles from Sensibin acquisition
- Current assets EUR 88.3m (87.9)
 - Inventories EUR 32.9m (37.3m), AR EUR 26.7m (26.2)
- Equity EUR 65.4m (52%) vs EUR 67.2m in Q2 24
- Non-current liabilities EUR 15.8m (16.0m)
 - Other liabilities EUR 6.2m (0.8m) from Sensibin projected payments in addition to borrowings EUR 6.8m (11.8m)
- Current liabilities EUR 44.1m (37.2m)
 - Trade creditors EUR 17.0m (15.2m) and borrowings EUR 13.1m (7.4m), with accrued expenses EUR 8.8m (8.5m)

Balance sheet (EUR million, unaudited)

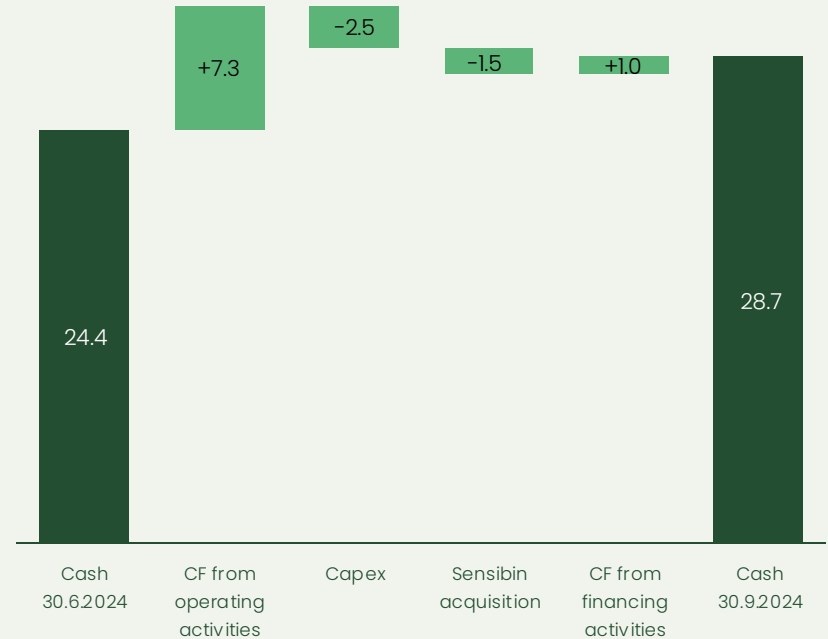


Cash flow

Q3 24

- Cash from operating activities EUR +7.3m
 - EBITDA EUR 1.7m
 - Working capital release of EUR 6.8m on lower inventories and higher trade payables
- Cash flow from investing activities EUR –4.0m
 - Capital expenditures EUR 2.3m and capitalized R&D EUR 0.2m. Capex largely RVMs for lease contracts
 - Sensibin acquisition EUR 1.5m payment on closing
- Cash flow from financing activities EUR +1.0m
- Net change cash in Q3 24 EUR +4.3m
 - Ending cash balance EUR 28.7m

Cash flow
(EUR million, unaudited)



Outlook



Advancing Envipco's positioning into the C-store segment

Envipco Compact will be instrumental in building a strong market position

Envipco closed Sensibin acquisition in Q3 24

- Broadens Envipco's portfolio and adds innovative technology
- Advances our position in the large and rapidly growing convenience store segment
- Improves value proposition towards Tier-1 retailers
- Provides tailored stepping stone into DRS implementation and growth
- Envipco provides strong strategic match to extend Sensibin market footprint



Leading product portfolio to capture market position

Addressing needs from the convenience store to supermarkets and recycling centers

Compact
Mini



Flex
Small



Optima
Medium



Ultra
Medium



Modula
Large



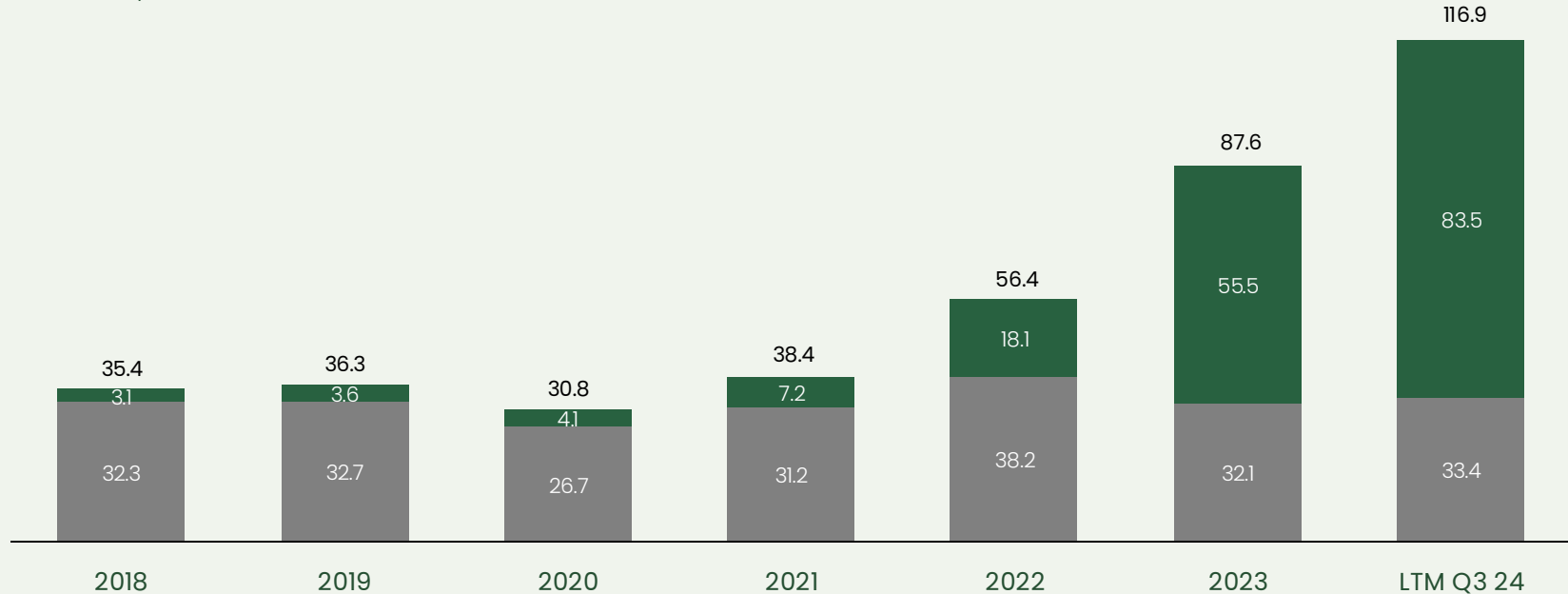
Quantum
X-Large



Delivering on European growth strategy

Revenue development

EUR million, unaudited

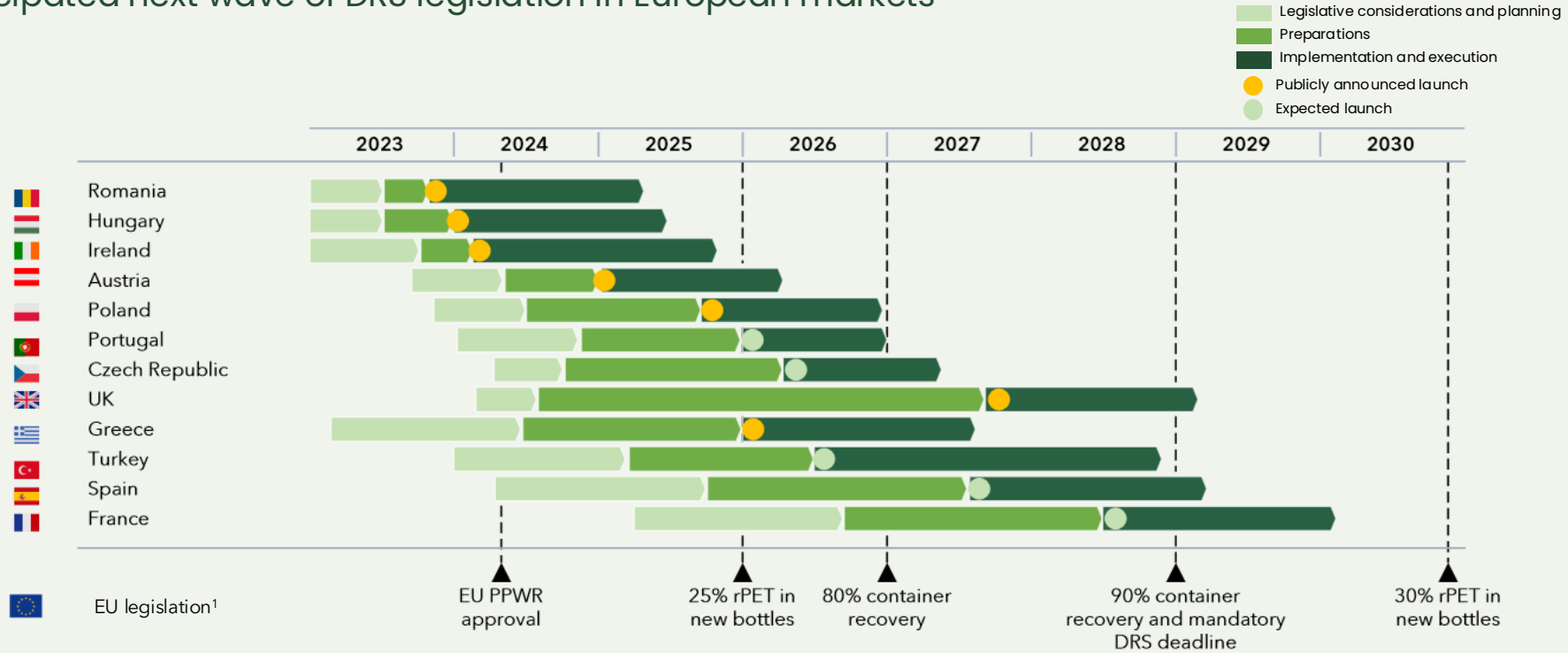


Increased awareness and legislative initiatives largely driven by maturing North American market

DRS second wave (EU)

Markets prioritized from DRS second wave

Anticipated next wave of DRS legislation in European markets



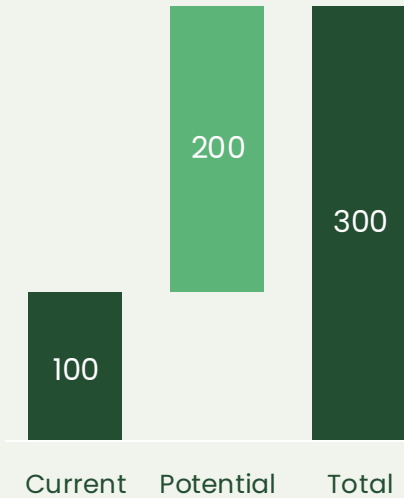
Note:

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

2. Belgium, Bulgaria, Cyprus, Italy, Luxembourg and Slovenia are also anticipated to evaluate DRS implementation to meet requirements under EU PPWR.

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

Our journey ahead

Continue to deliver on our growth strategy

- Legislation momentum continues to drive markets 2030+
- Envipco will continue to invest to secure market share

Promising revenue outlook for 2025 and beyond

- Preparing to deliver in greenfield markets Portugal, Poland and UK
- Focused approach to brownfield opportunities

Investing for the future

- Building the organization for the next growth phase
- Preparing to uplist on Euronext Oslo Børs

Ambitions

Market share in new markets

+30%

Revenue growth 2021 – 2025

4x – 6x

Gross margin

40%

Q&A

Next event:

5 March 2025 – Q4 24 results





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www.envipco.com/investors



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Making recycling easier.