



Envipco Holding N.V.

Interim Financial Report | Fourth Quarter and Full Year 2022

Table of contents

This is Envipco	3
Highlights	4
CEO comment	4
Key Figures	5
Financial Review	5
Operations	8
Market developments	10
Outlook	11
Share information	12
Transactions with related parties	12
Subsequent events	12
Interim financial statements (IFRS)	13
Consolidated Statement of Comprehensive Income	13
Consolidated Balance Sheet	14
Consolidated Cash Flow Statement	15
Consolidated Statement of Changes in Equity.....	16
Selected Explanatory Notes	17

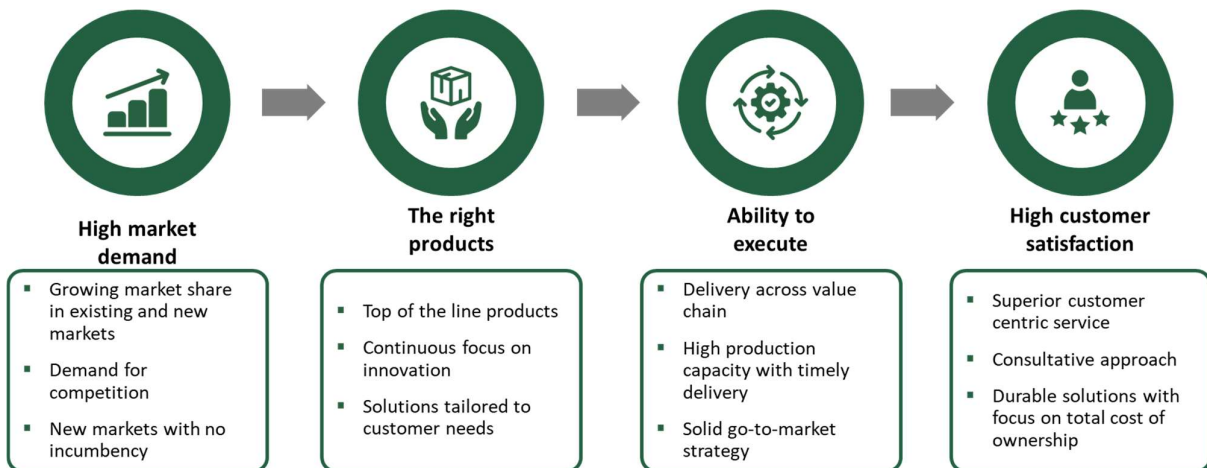
This is Envipco

Envipco is a recycling technology company. We have over four decades of experience delivering thousands of reverse vending machines (RVMs) and systems to leading customers operating deposit return schemes (DRS) across the world. We bring a broad technology portfolio, an agile and partnership approach, and deep experience operating and involvement in DRS. Known and recognized for our service delivery, we offer compelling competitive products and solutions in our chosen markets.

Targeting key global markets



Highly competitive with ability to capture new market growth



Highlights

- Record year with revenues of EUR 56.0 million in 2022 (+46%), and EUR 12.9 million in Q4'22 (+5%)
- Revenue accelerating in Europe with 145% year-on-year growth to EUR 17.8 million in 2022
- Sustained market investments delivering a strong European orderbook for 2023, demonstrated by successes in Scotland passing 1000 RVMs and the announced MOL group award
- Delivery of 24 Quantum platforms to Greece in Q4'22, proof point of penetration of a pre-DRS market with exciting growth prospects over the coming years
- North America reaching revenue of EUR 38.2 million in 2022 (+27%) driven by growth in both Program Services and RVM Sales
- EBITDA EUR 1.2 million for the full year 2022 and negative EUR 1.6 million in the fourth quarter, in line with expectations given fluctuations in revenue due to timing of orders
- First step in strengthening the balance sheet by private placement of EUR 15 million, December 2022

CEO comment

“2022 has been a very successful year for the business. Sustained investments in our future are being validated through commercial successes. 2023 will be a transformative year as we fulfill our order book, deliver strong revenue and EBITDA growth, drive profitability, and most importantly provide the foundation for future growth and performance. We are excited to be creating a cleaner world for future generations through our recycling technology.” – Simon Bolton, CEO

Key figures

in EUR millions	Q4 2022	Q4 2021	FY 2022	FY 2021
Revenues	12.9	12.4	56.0	38.4
Gross Profit	3.8	3.9	17.6	13.4
Gross profit %	29.2%	31.5%	31.5%	34.9%
Operating Expenses	6.6	4.3	22.8	14.7
EBIT	(2.8)	(0.4)	(3.2) ¹	2.3 ¹
Net profit/(loss) after taxes after minority	(2.0)	(0.8)	(4.3)	0.6
EBITDA	(1.6)	0.7	1.2	5.5
Earnings/(loss) per share in €	(0.04)	(0.02)	(0.09)	0.01
Shareholders' equity	28.7 ²	30.9	28.7 ²	30.5

1) Including other income of EUR 1.9 million in 2022 (PPP forgiveness) and EUR 3.4 million in 2021 (DPG settlement, PPP forgiveness).

2) Excluding 15.0 million equity settled December 2022 and issued February 2023

Financial review

Profit and loss

Fourth quarter 2022

Revenue came in at EUR 12.9 million in Q4'22, up 5% from EUR 12.4 million in Q4'21. As expected, lower growth in Q4'22 was impacted by lower machine sales in North America compared to last year's strong Q4'21, compensated by program services growth and strong Greece Quantum revenues.

Total gross profit was EUR 3.8 million (29.2%) in Q4'22 compared to EUR 3.9 million (31.5%) in Q4'21. The Q4'22 gross margin excluding Greece was 31.6%. The pre-DRS contracts in Greece have been renegotiated in Q4 and margin contribution improved compared to Q3, an effect that will continue into 2023.

Total operating expenses amounted to EUR 6.6 million in the quarter, compared to EUR 5.9 million in Q3'22. The Q4'22 increase since Q3'22 was mainly driven by one-off legal and consulting fees, combined with Greece project cost.

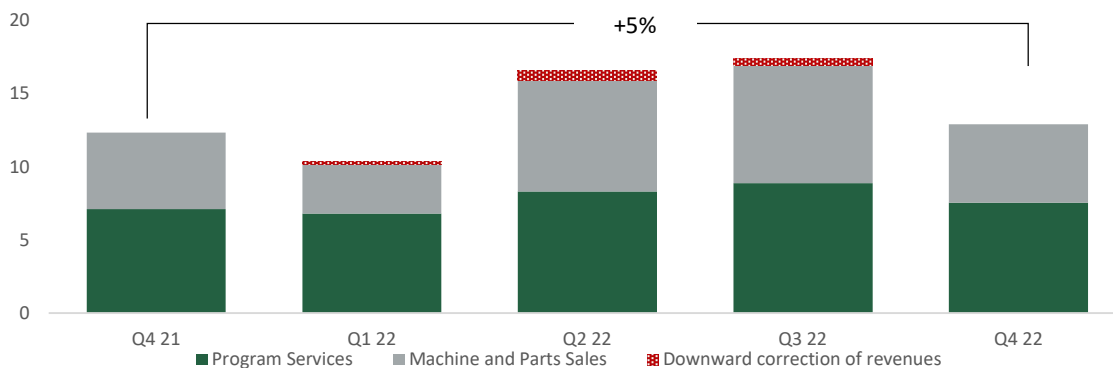
Resulting EBITDA for Q4'22 was negative EUR 1.6 million, compared to positive EUR 0.7 million in Q4'21. Net Loss for the quarter amounted to EUR 2.0 million, compared to a Net Loss of EUR 0.8 million in Q4'21.

Full year 2022

Revenue for the full year 2022 came in at EUR 56.0 million, up from EUR 38.4 million in 2021 (+46%). RVM sales amounted to EUR 24.3 million and program services made up EUR 31.6 million. Gross profit was EUR 17.6 million in 2022, representing a gross margin of 31.5% (34.9% in 2021). Operating expenses amounted to EUR 22.8 million in 2022, up from EUR 14.7 million the previous year.

Resulting EBITDA came in at EUR 1.2 million compared to EUR 5.5 million in 2021, after including other income of EUR 1.9 million in 2022 (Paycheck Protection Program forgiveness) and EUR 3.4 million in 2021 (DPG settlement and forgiveness under the PPP). Net Loss for 2022 amounted to EUR 4.3 million compared to Net Profit of EUR 0.6 in 2021. The 2022 decrease in EBITDA and profitability is driven by our investments in operating expenses to capitalize on upcoming business opportunities as more European countries introduce DRS regulations.

Revenue categories (EUR million)^{1,2}



1) Program Services include Lease, Service and Pick-up & Processing revenues.

2) Revenues in the first, second and third quarter of 2022 have been revised down by EUR 0.3m, EUR 0.7m and EUR 0.5m respectively. This adjustment is the correct presentation of certain intercompany sales. Gross Profit for the quarters is unchanged. Gross Margin percentage improved to 33.8%, 34.8% and 28.8% respectively.

Cash Flow

Full year 2022

Cash flow from operating activities amounted to a positive EUR 11.3 million for the full year 2022, compared to EUR 0.5 million in 2021. The 2022 cash flow includes EUR 15.0 million resulting from the capital raise and the associated share lending agreement. Inventory buildup in the US, German and Romanian production sites amounted to EUR 10.0 million, in preparation for execution of the orderbook.

Net cash flow from investing activities was negative EUR 6.5 million, made up of capitalized R&D of EUR 1.7 million, investments for production in US and Romanian facilities of EUR 1.6 million, IT costs of EUR 0.6 million, and installed base RVMs of EUR 2.6 million.

Net cash flow from financing activities ended up at EUR 6.7 million compared to EUR 6.1 million in 2021. The borrowing proceeds amounted to EUR 8.7 million (from a EUR 2.5 million term loan secured in June 2022 and EUR 6.1 million utilization of credit facilities), offset by repayments of borrowings of EUR 1.3 million and change in lease commitments of EUR 0.6 million.

Net change in cash and cash equivalents was EUR 11.5 million during 2022, compared to EUR 2.0 million for 2021. Total cash holdings ended at EUR 14.5 million per 31 December, up from EUR 3.1 million last year.

The private placement of EUR 15 million at the end of 2022 represents the first step in strengthening the balance sheet. The company is evaluating additional financing opportunities, to support the company's long term growth plans.

Financial position

On 31 December 2022, Envipco had total assets of EUR 77.7 million, compared to EUR 51.7 million as of 31 December 2021.

Total equity amounted to EUR 28.7 million at the end of 2022, giving an equity ratio of 37% (56% after private placement shares issued on February 1st, 2023) compared to EUR 30.5 million and 59% as of 31 December 2021.

Total borrowings at the end of the period amounted to EUR 13.0 million, including EUR 8.7 million in proceeds from term loan and credit facility utilization. The second PPP loan of EUR 1.9 million was forgiven in Q3'22, which was recognized as other income. Borrowings amounted to EUR 7.1 million as of 31 December 2021.

Borrowings – Third Parties

in EUR thousands	12 months to 31 Dec 2022	12 months to 31 Dec 2021
At beginning of period	7 062	8 825
Additions	8 704	1 643
Repayments	(3 287)	(3 973)
Translation effect	471	567
At end of period	12 950	7 062

Operations

(EUR Million)	Q4 2022	Q4 2021	FY 2022	FY 2021
Revenues	12.95	12.36	55.97	38.44
North America*	8.71	9.52	38.24	31.20
Europe	4.21	2.84	17.72	7.24
Gross profit	3.78	3.89	17.64	13.41
Gross profit %	29 %	32 %	32 %	35 %
Operating expenses ex New Market Development	(6.19)	(3.70)	(21.24)	(13.48)
New market development	(0.37)	(0.60)	(1.59)	(1.20)
Total operating expenses	(6.57)	(4.30)	(22.83)	(14.68)
Other Income	0.00	0.02	1.96	3.60
EBIT	(2.78)	(0.39)	(3.23)	2.33

*Including Rest of the World (RoW).

North America

- North America reaching revenue of EUR 38.2 million in 2022, up 27% from EUR 31.2 million in 2021, supported by growth for both machine sales and program services and (positive currency effect of 3%)
- Revenue of EUR 8.7 million in Q4'22, down 9% from a particularly strong Q4'21 as expected

North America delivered revenues of EUR 38.2 million for the full year 2022 and EUR 8.7 million in Q4'22. This is up 27% year-on-year since 2021 and down 9% compared to Q4'21. The last quarter of 2021 was particularly strong due to the drug and discount stores expansion in Connecticut and subsequent large orders. Machine sales amounted to EUR 7.7 million (+48%) in 2022 and EUR 1.5 million (-49%) in Q4'22. Program services revenue increased by 19% to EUR 30.5 million in 2022 and reached EUR 7.3 million in Q4'22 (+9%). The 2022 program services growth was positively impacted by both increased RVM machine sales and increases to the RVM lease portfolio.

Europe

- 145% year-on-year with revenue growth reaching EUR 17.8 million in 2022
- Active engagement with MOL group, in Hungary to prepare for project execution during 2023/2024 of over 2,000 RVMs in the first phase
- Wins with two additional Tier-1 retailers in the United Kingdom (Scotland) in Q1'23 for 240 RVMs. This order raises our 2023 Scotland orderbook to +1,000 RVMs
- Greece market proving to be a substantial pre-DRS business opportunity with delivery of 24 Quantum platforms in Q4, with exciting growth prospects over the coming years

Sales in Europe came in at EUR 17.8 million in 2022 (+145%) and EUR 4.3 million in the fourth quarter (+49%). Machine sales amounted to EUR 16.6 million in 2022 (+185%), primarily driven by EUR 6.9 million from the Malta contract, EUR 4.8 million from Quantum sales in Greece and EUR 3.9 million from Quantum sales in Sweden. Revenue from machine sales in Q4'22 ended at EUR 3.9 million (+66%), of which EUR 3.0 million from Greece. Envipco has initiated activities in the Greece market to provide for localized assembly, this capability will increase our production capacity and provide margin improvement opportunities.

Operational and organizational development

Envipco is continuously growing and improving the organization to enable scale and expansion in new and existing markets. Envipco is currently setting up a team in Hungary, initiating commercial activities in Poland, and expanding in the United Kingdom. A Chief Operating Officer (COO) was hired in February '23 with focus on ensuring lean operations and supply chain management. The production facilities in Romania and the US continue to be prepared for larger scale production following recent wins, including Scotland and Hungary. Production in Germany will be relocated to a new expanded facility in Q2'23 to increase capacity for Quantum production.



Market developments

There is pronounced increase in activity in a number of markets as a result of legislative movement, customer engagement, and the Company's specific market development plans. This activity is seen in both North America and Europe, with the EU continuing to promote the use of Deposit Return Schemes (DRS) to improve recycling. In all cases this has resulted in specific awards, working with potential customers through pilots, or building a pipeline of commercial opportunities, specifically:

UK/Scotland/Ireland: Five major retailer wins to date and continued negotiations with open tenders as retailers look to comply with the August 2023 go-live. Increased activity in Ireland with important pilots underway with key large retailers as they prepare for Q1 2024 go live. The UK government has also announced its intention to pass DRS legislation in 2025 which will provide a significant sale-through opportunity with our existing Scottish retailers operating in the rest of the UK.

Hungary: As one of the selected Technology Partners to the MOL Group, Envipco continues to work to plan and deliver the DRS for Hungary.

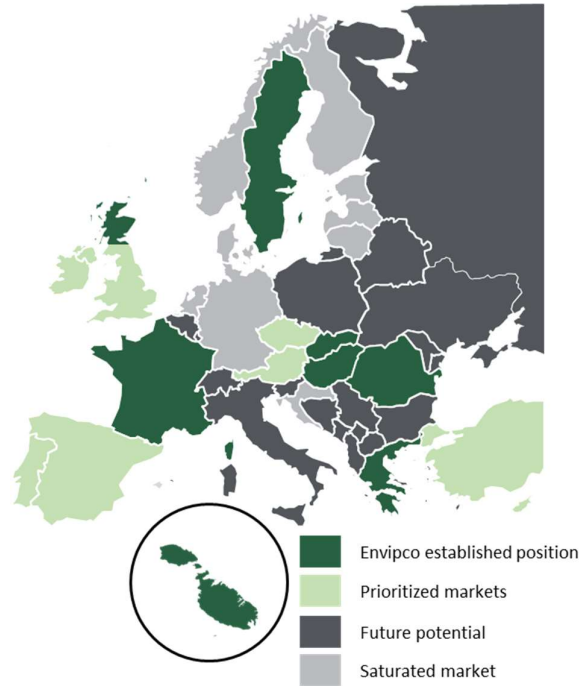
Greece: Our pre-DRS project for Quantum based municipal recycling centres has continued to develop through 2022 with our partner. Envipco is implementing capacity expansion to allow delivery of localized centres over the coming years for this exciting opportunity.

Romania: Significant acceleration of activity with strong signals of late '23 Go-Live. Envipco working fully with all stakeholders to support system development, whilst preparing our Romanian manufacturing plant to respond.

Poland: Industry active in promoting DRS adoption, Envipco engaging with stakeholders. Expected Go-Live early 2025.

Portugal: Current phase of public consultation due to complete in March 2023 with expected appointment of the system operator in Q2 '23. Go-Live expected ~12-18 months from Operator appointment. We continue to engage retailers and wider stakeholders to support this timeline.

Malta: >30M containers collected since Go-Live in November 2022. Envipco continues to support BCBS in on-going system development.



North America: Positioning the North America business team on legislative initiatives in Massachusetts, New York, Connecticut and California and Quebec. New York state has proposed initial legislation to increase the deposit value from \$.05 to \$.10 commencing in 2025 to align with Connecticut's January 2025 expansion to \$.10. Massachusetts has also raised preliminary legislation to modernize the deposit law with expansion into water beverages and an increase in deposit value to \$.10 Program Services volumes are expected significantly rise (~40%) with all three states harmonizing to a \$.10 deposit value with minimal additional capital needed to accommodate increased volume. The company continues to monitor the law changes in California and has commenced early discussions with Retailers to gauge the long-term durability of the RVM model. We continue to work with our partner in Oregon to replace aged equipment and expand into new retailer channels.



ROW: ROW activities mainly include Australia where the company is engaged with our distributor in a tender process with the Victorian government. The company is optimistic of a positive conclusion to the tender process during the first quarter of 2023.

Outlook

2022 has been as an exciting and eventful year where the company expanded its footprint in new countries and seen many opportunities coming to fruition. The company has never been in a better position for continued growth, and the demand for our technology and services is increasing steadily as markets mature. Throughout 2022, significant time and resources have been deployed to enable commercial expansion across Europe and North America with a strengthened organization and team to deliver on the stated growth targets.

We continue to see proof points for our strategy and are well on track to deliver on our target of achieving more than 30% market share in new markets. The recent wins in Europe provide an aggregate opportunity pipeline of thousands of machines over the coming years, and the company also sees significant additional opportunities to be addressed going forward.

As production is scaled, spearheaded by the Romanian facility, the company is well positioned to deliver on the contracts won over the past quarters. Increasing scale will enable operational leverage, contributing to improved gross margins and reduced cost levels over time, a core focus area for Envipco. We continue to see cost stabilization in the market, and while the macroeconomic and geopolitical landscape remains uncertain, the company is continuously monitoring the situation.

Going into 2023, demand is accelerating for RVM technology driven by approaching DRS go-live dates in a range of European countries. Envipco is well prepared for the increasing market momentum and have entered a detailed planning stage in an increasing number of countries and geographies.

Envipco continues to build the organization and secure long-term financial solidity and flexibility. We raised EUR 15 million in equity at the end of 2022 and continue to monitor financing options in preparation for upcoming expansion opportunities. We remain confident in our strategy, our investments, and our ability to deliver strong growth and execute on our long-term revenue and gross margin targets.

Share information

The Company's authorized capital per December 31st 2022 is EUR 4,000,000 divided into 80,000,000 shares, each having a nominal value of EUR 0.05. The issued share capital of the Company as per December 31st 2022 amounts to EUR 2,302,564 divided into 46,051,280 shares, each having a nominal value of EUR 0.05.

The Group has been notified of or is aware of the following 3% or more interests as of 31 December 2022.

	Number of Shares	Shareholding %	Voting Rights %
A. Bouri	17 169 392	37.28	37.28
G. Garvey	4 374 161	9.50	9.50
Otus Capital Management Ltd	2 785 195	6.05	6.05
Lazard Freres Gestion SAS	2 479 700	5.38	5.38
R. J. Lincoln	1 717 440	3.73	3.73
B. Santchurn/Univest Portfolio Inc.	1 554 800	3.38	3.38

Directors' interest in the share capital of the Group as per December 31st 2022

	Number of Shares	Shareholding %	Voting Rights %
A. Bouri	17 169 392	37.28	37.28
G. Garvey	4 374 161	9.50	9.50
S. Bolton	100 074	0.22	0.22
C. Crepet	70 000	0.15	0.15

Transactions with related parties

During the ordinary course of business, the company may engage in certain arm's length transactions with related parties.

There is a loan receivable of EUR 0.7 million due from an affiliate under common control of the majority shareholder. Envipco entered into a share lending agreement with related parties Bouri and Garvey requiring the re-delivery of EUR 15 million worth of shares.

Subsequent events

- Wins with two additional Tier-1 retailers in the United Kingdom for a total deployment of approximately 240 Reverse Vending Machines to be delivered from Q2'23.
- Envipco entered into a Share Lending Agreement with Alexandre Bouri and Gregory Garvey in association with the private placement on December 12th. This was recognized as a EUR 15 million short term liability on the balance sheet at year end. Pursuant to the Share Lending Agreement, the lending shareholders lent a total of 5,639,097 shares. The Company has on 1 February 2023 issued and re-delivered the 5,639,097 shares to the lending shareholders.
- The Company's authorized capital per February 1st, 2023, is EUR 4,000,000 divided into 80,000,000 shares, each having a nominal value of EUR 0.05. The issued share capital of the Company as per February 1st, 2023, amounts to EUR 2,584,519 divided into 51,690,377 shares, each having a nominal value of EUR 0.05.

As of 1 February 2023, the Group has been notified of or is aware of the following 3% or more interests.

	Number of Shares	Shareholding %	Voting Rights %
A. Bouri	21 680 670	41.94	41.94
G. Garvey	5 501 980	10.64	10.64
Otus Capital Management Ltd	2 785 195	5.39	5.39
Lazard Freres Gestion SAS	2 479 700	4.80	4.80
R. J. Lincoln	1 717 440	3.32	3.32
B. Santchurn/Univest Portfolio Inc.	1 554 800	3.01	3.01

Interim financial statements (IFRS)

Consolidated Statement of Comprehensive Income

in EUR thousands	Note	Q4 2022	Q4 2021	FY 2022	FY 2021
Revenues		12 949	12 361	55 965	38 444
Cost of revenue		(9 166)	(8 467)	(38 323)	(25 037)
Gross Profit		3 783	3 894	17 642	13 407
Selling and distribution expenses		(973)	(205)	(3 386)	(996)
General and administrative expenses		(5 398)	(3 690)	(18 233)	(12 258)
Research and development expenses		(194)	(405)	(1 209)	(1 425)
Other income /(expenses)		0	17	1 958	3 603
Operating Results		(2 782)	(389)	(3 227)	2 331
Financial expense		262	(329)	(1 082)	(839)
Financial income		115	13	132	33
Net finance (cost) and or income		377	(316)	(950)	(806)
Results before tax		(2 405)	(705)	(4 177)	1 525
Income taxes		369	(76)	(130)	(933)
Net Results		(2 036)	(781)	(4 307)	592
<i>Other comprehensive income</i>					
<i>Items that will be reclassified subsequently to profit and loss</i>					
Exchange differences on translating foreign operations		(2 882)	697	1 643	1 542
Total other comprehensive income		(2 882)	697	1 643	1 542
Total comprehensive income		(4 918)	(84)	(2 663)	2 134
Profit attributable to:					
Owners of the parent		(2 038)	(782)	(4 311)	586
Non-controlling interests		1	1	4	6
Total Profit/(loss) for the period		(2 036)	(781)	(4 307)	592
Total comprehensive income attributable to:					
Owners of the parent		(4 920)	(85)	(2 668)	2 128
Non-controlling interests		1	1	4	6
		(4 918)	(84)	(2 663)	2 134
Number of weighted average (exclude treasury shares) shares used for calculations of EPS		46 051	46 051	46 051	46 051
Earnings/(loss) per share for profit attributable to the ordinary equity holders of the parent during the period					
- Basic (euro)		(0.04)	(0.02)	(0.09)	0.01
- Fully diluted (euro)		(0.04)	(0.02)	(0.09)	0.01

Consolidated Balance Sheet

in EUR thousands	Note	FY 2022	FY 2021
Assets			
Non-current assets			
Intangible assets		8 525	7 502
Property, plant and equipment		14 427	9 590
Financial assets		17	479
Deferred tax assets		2 096	1 917
Restricted cash		340	340
Total non-current assets		25 406	19 828
Current assets			
Inventory		25 700	14 999
Trade and other receivables		12 065	13 817
Cash and cash equivalents		14 483	3 061
Total current assets		52 248	31 877
Total assets		77 654	51 705
Equity			
Share capital		2 303	2 303
Share premium		56 438	57 326
Translation reserves		5 609	3 966
Legal reserves		8 076	7 188
Retained earnings		(43 786)	(40 329)
Equity attributable to owners of the parent		28 640	30 454
Non-controlling interests		43	39
Total equity		28 683	30 493
Liabilities			
Non-current liabilities			
Borrowings		10 660	5 922
Lease commitments		1 006	493
Other liabilities		120	120
Deferred tax liability		50	86
Total non-current liabilities		11 837	6 621
Current liabilities			
Borrowings		2 290	1 140
Trade creditors		10 787	8 492
Accrued expenses		22 486	3 462
Provisions		345	181
Lease commitments		553	343
Tax and social security		673	973
Total current liabilities		37 133	14 591
Total liabilities		48 970	21 212
Total equity and liabilities		77 654	51 705

Consolidated Cash Flow Statement

in EUR thousands	Note	FY 2022	FY 2021
Cashflow from operating activities			
Operating results		(3 227)	2 331
Adjustment for:			
Depreciation & Amortization		4 567	3 607
PPP loan forgiveness		(1 948)	(1 526)
Changes in:			
Changes in trade and other receivables		2 288	(3 206)
Changes in inventories		(10 010)	(5 993)
Changes in provisions		163	(157)
Changes in trade and other payables		20 019	6 204
Cash generated from operations		11 851	1 260
Interest received and paid		(460)	(348)
Income taxes paid		(130)	(415)
Net cash flow from operating activities		11 261	497
Investing activities			
Development expenditure, patents		(1 718)	(1 686)
Investments in property, plant & equipment		(4 798)	(2 582)
Restricted cash (non-current)		-	(340)
Net cash flow used in investing activities		(6 516)	(4 608)
Financial activities			
Proceeds of share issue		-	7 365
Changes in borrowings – proceeds		8 704	1 643
Changes in borrowings – repayments		(1 339)	(2 447)
Changes in lease commitments		(648)	(433)
Net cash flow from financing activities		6 718	6 128
Net increase/(decrease) in cash and cash equivalents		11 464	2 017
Opening position		3 061	1 109
Foreign currency differences on cash and cash equivalents		(41)	(65)
Closing position		14 483	3 061
The closing position consists of:			
Cash and cash equivalents		14 483	3 061
Total closing balance in cash and cash equivalents		14 483	3 061

Consolidated Statement of Changes in Equity

in EUR thousands	Share Capital	Share Premium	Translation Reserve	Legal Reserve	Retained Earnings	Total	Non-Controlling Interests	Total Equity
Opening Balance at 1 January 2022	2 303	57 326	3 966	7 188	(40 329)	30 454	39	30 493
Net profit/(loss) for the period	-	-	-	-	(4 311)	(4 311)	4	(4 307)
Other comprehensive income						-		-
- Currency translation or PY adjustment	-		1 643	-		1 643	-	1 643
Total comprehensive income for the period ended 31 December 2022	-	-	1 643	-	(4 311)	(2 668)	4	(2 663)
Share issue	-	-	-	-	-	-	-	-
Legal reserve	-	(888)	-	888		-		-
Correction on unrealized profit on inventories previous years	-	-	-	-	854	854	-	854
Balance at 31 December 2022	2 303	56 438	5 609	8 076	(43 786)	28 640	43	28 683

in EUR thousands	Q4 2022	Q4 2021	FY 2022	FY 2021
Opening Balance	33 602	30 919	30 493	20 994
Net profit/(loss) for the period	(2 036)	(781)	(4 307)	592
Other comprehensive income:				
- Currency translation adjustment	(2 882)	697	1 643	1 542
Total comprehensive income for the period	(4 918)	(84)	(2 663)	2 134
Share issue	-	-	-	7 365
Correction on unrealized profit on inventories previous years	-	-	854	-
Closing Balance	28 684	30 835	28 683	30 493

Selected Explanatory Notes

General

Activities

Envipco Holding N.V. is a public limited liability company incorporated in accordance with the laws of The Netherlands, with its registered address at Van Asch van Wijckstraat 4, 3811 LP Amersfoort, The Netherlands.

Envipco Holding N.V. and Subsidiaries (“the Company” or “Envipco”) are engaged principally in Recycling in which it develops, manufactures, assembles, leases, sells, markets and services a line of “reverse vending machines” (RVMs) mainly in the USA and Europe.

Basis of Preparation

The consolidated interim financial information for the full quarter ended 31 December 2022 has been prepared in accordance with IAS 34 “interim financial reporting.” The consolidated interim financial information should always be read in conjunction with the annual financial statements for the year ended 31 December 2021, which have been prepared in accordance with IFRS as endorsed by the European Union.

All financial information is reported in thousands of euros unless stated otherwise.

Accounting Policies

Except as set out below, the accounting policies of these interim financial statements are consistent with the annual financial statements for the year ended 31 December 2021.

- Taxes on income in the period are accrued using the tax rate that would be applicable to expected total annual earnings.
- The annual impairment tests on goodwill and intangible assets with indefinite life will be carried out at the end of fiscal year 2022. Consequently, any impairment losses will only be recognised in the audited annual financial statements over the fiscal year 2022.
- These unaudited interim financial statements have not been reviewed by our auditors.

Envipco Holding NV

Van Asch van Wijckstraat 4
3811 LP Amersfoort
The Netherlands

Contact:

EnvipcoInvestorRelations@envipco.com

www.envipco.com