



# Envipco

A Recycling Technology Leader Creating a Cleaner World for Future Generations

Company presentation | June 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 doubled since 2021, economies of scale and gross margin expansion
- **Executed by seasoned team** with extensive cross-functional experience

Building from...

**EUR 104.6 million**

LTM Q1 24 revenues

**2.7x**

revenue multiple 2021 - LTM Q1 24

**35.0%**

Q1 24 gross margin

...with 2025 ambition

**4 - 6x**

revenue growth from 2021

**+30%**

market share in new markets

**40%**

gross margin

Unaudited figures. 2023 financial statements are subject to audit adjustments.

# 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

# Invested in building a market position

## Entered several new markets over the last 5 years...



- Revenue generating country
- Preparations
- Commercial engagement
- Sales office
- Manufacturing facility

## ...making strong headways in new growth markets

- Envipco successfully developing Greece, a pre-DRS market
  - Project continuing into 2024/25 with significant potential
- Hungary DRS live January 2024
  - Firm orders of 2,300 RVMs, extension order for up to 2,000 RVMs
- Romania DRS live December 2023
  - Commenced installation of Modulas in Romania
- Ireland DRS live February 2024
  - Secured preferred supplier agreement with largest independent network in Ireland supporting 1,000 locations

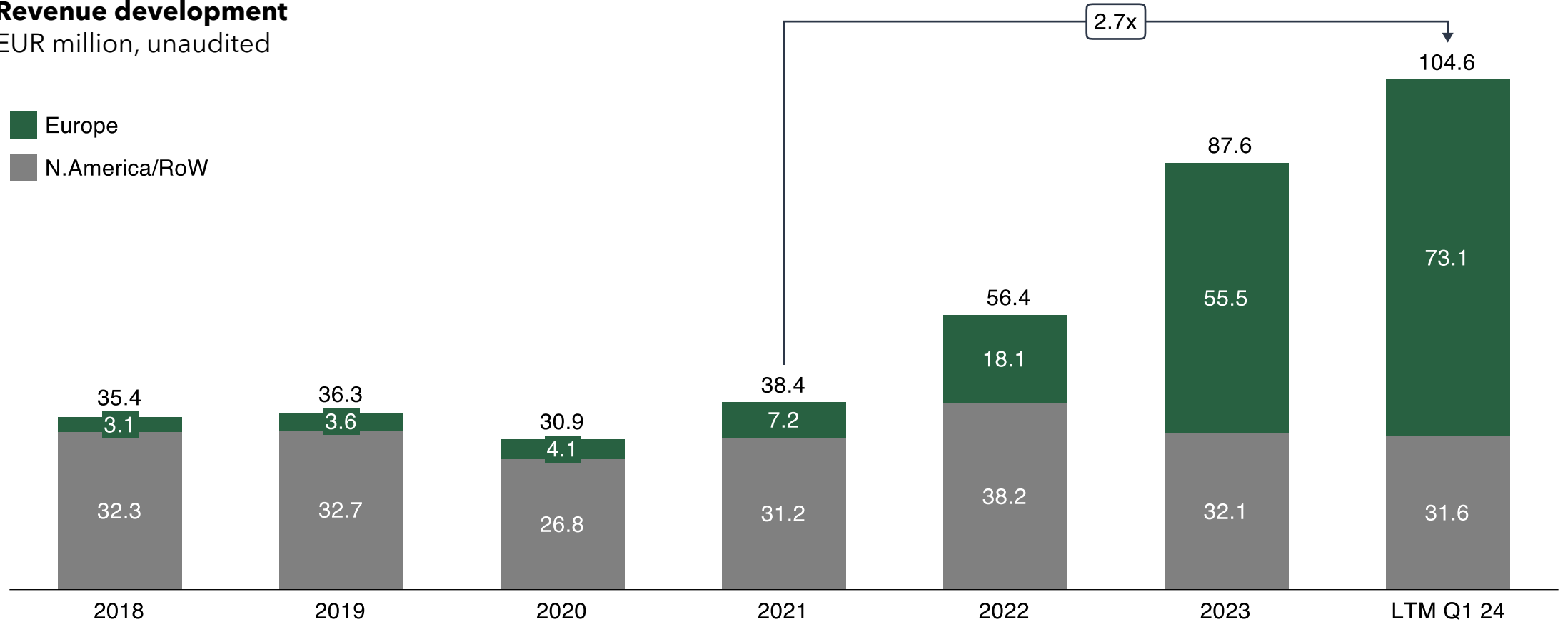
# Delivering on European growth strategy

## Revenue development

EUR million, unaudited

■ Europe

■ N.America/RoW



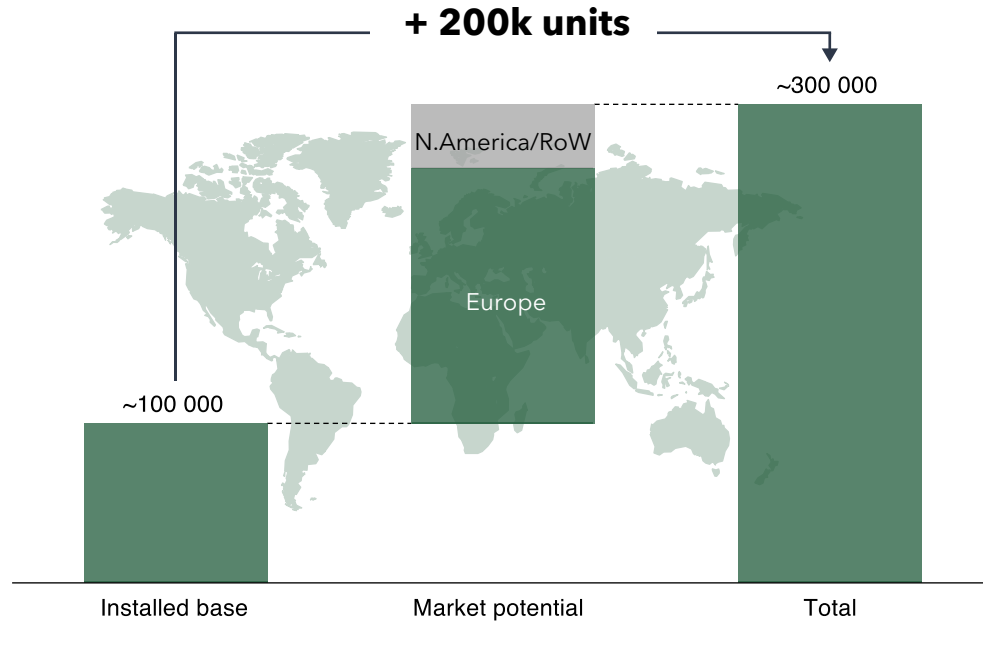
Increased awareness and legislative initiatives largely driven by maturing North American Market

DRS second wave (EU)

Note: Unaudited figures. 2023 financial statements are subject to audit adjustments.

1) Gross sales.

# Engaging a vast market opportunity



**EUR 18 - 25k**

Average Reverse Vending  
Machine price



EU Legislation driving deposit return schemes (DRS) in all EU countries



Strong Consumer push to address plastic pollution



Beverage brand holders needing clean feedstock to put back into new packaging



Industry acknowledgment that deposit return schemes work and serves the interest of all stakeholders



Threat avoidance on PET packaging bans

# EU approval of PPWR

## An unprecedented market driver

- EU Parliament concluded final vote and approval of the EU Packaging and Packaging Waste Regulation (PPWR) in April 2024
- EU consequently closer to introducing DRS across the continent
- 13 of 27 EU member states yet to introduce DRS
- All member states must implement PPWR on a national level by summer 2026 given current timeline

## 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

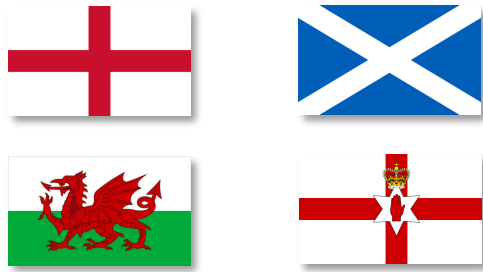
**30%**

Minimum recycled content in PET bottles by 2030



# Fully interoperable DRS announced across UK

## DRS formally announced



Joint policy statement from UK, Scotland, Wales and Northern Ireland in April 2024



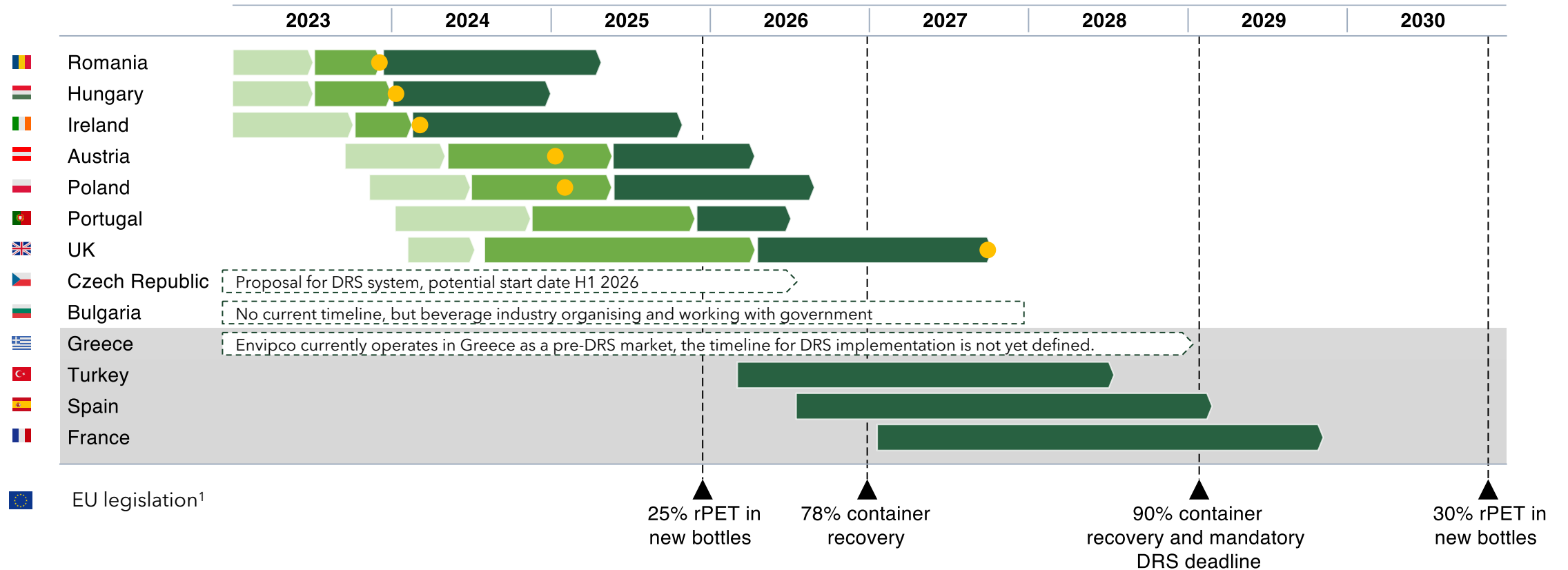
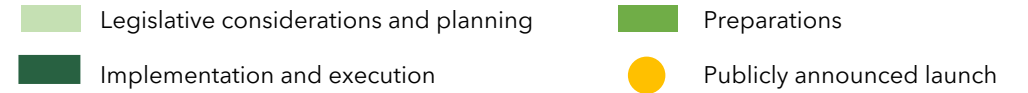
Fully interoperable DRS with targeted launch date October 2027

## Rollout across three phases:

- 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**

# Markets prioritized from DRS second wave

## Anticipated next wave of DRS legislation in European markets



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 (EUR million)	2021	2022	2023	LTM Q1 24
N. America/RoW	31.2	38.2	32.1	31.6
Europe	7.2	18.1	55.5	73.1
<b>Revenues</b>	<b>38.4</b>	<b>56.4</b>	<b>87.6</b>	<b>104.6</b>
Growth y/y	25 %	47 %	55%	85%
Gross margin	35 %	33 %	35%	35%
<b>EBITDA<sup>1</sup></b>	<b>5.9</b>	<b>2.3</b>	<b>8.8</b>	<b>12.3</b>
Operating earnings <sup>1</sup>	2.1	- 2.7	2.7	6.0
Pretax earnings <sup>1</sup>	1.3	- 4.0	1.6	<b>4.7</b>
<b>Net earnings<sup>1</sup></b>	<b>0.7</b>	<b>- 4.2</b>	<b>1.4</b>	<b>4.1</b>

Financial position (EUR million)	2021	2022	2023	Q1 24
Fixed assets	19.8	25.7	30.6	32.4
Current assets ex. cash	28.9	36.7	55.8	60.5
Cash	3.4	16.5	9.9	33.5
<b>Total assets</b>	<b>52.1</b>	<b>78.9</b>	<b>96.3</b>	<b>126.4</b>
Equity	30.8	27.9	42.8	68.4
Long-term debt	6.6	12.3	12.0	16.3
Short-term liabilities	14.7	38.6	41.5	41.7
<b>Total debt &amp; equity</b>	<b>52.1</b>	<b>78.9</b>	<b>96.3</b>	<b>126.4</b>
Net debt	4.0	-1.6	6.8	-13.9

Note: Unaudited figures. 2023 financial statements are subject to audit adjustments.

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.

# Sustaining growth momentum

in EUR millions, unaudited	Q1 24	Q1 23	2023
<b>Revenues</b>	<b>27.4</b>	<b>10.4</b>	<b>87.6</b>
- Europe	19.9	2.3	55.5
- North America & RoW	7.6	8.1	32.1
<b>Gross Profit</b>	<b>9.6</b>	<b>3.5</b>	<b>30.6</b>
Gross profit %	35.0%	33.9%	35.0%
Operating Expenses	8.5	5.8	28.4
<b>EBIT</b>	<b>1.1<sup>1</sup></b>	<b>(2.2)</b>	<b>2.7<sup>2</sup></b>
Net profit/(loss) after taxes and minorities	0.1 <sup>1</sup>	(2.6)	1.4 <sup>2</sup>
<b>EBITDA</b>	<b>2.7<sup>1</sup></b>	<b>(0.9)</b>	<b>8.8<sup>2</sup></b>

## Q1 24

- Group revenues +164% y/y to EUR 27.4m
- Gross margin 35.0%, up from 33.9% in Q1 23
  - Manufacturing cost effect from Q4 23 buildup
  - Gross earnings +172% y/y to EUR 9.6m
- Operating expenses EUR 8.5m (+48% y/y)
- EBITDA EUR 2.7m (-0.9m)
  - EBITDA margin of 10.0%, up from -8.3% in Q1 23

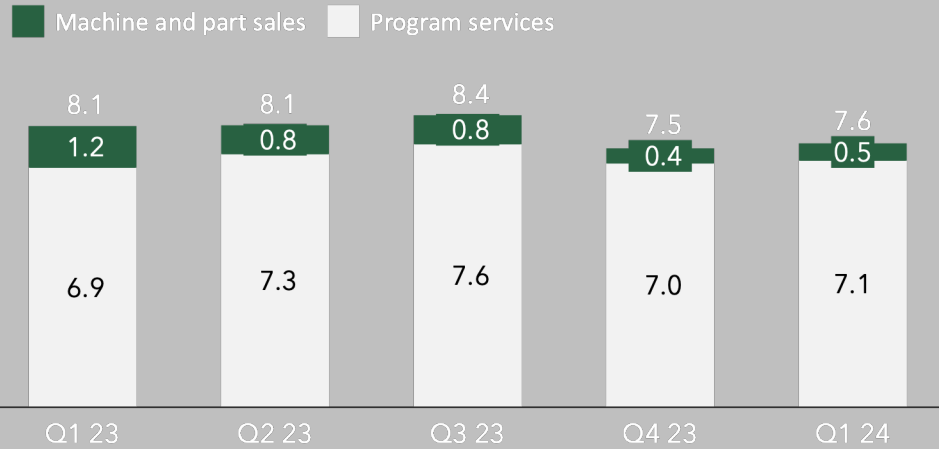
1) Includes EUR 0.2m other income from resale of UK inventory

2) Includes EUR 0.5m other income from resale of UK inventory.

# North America

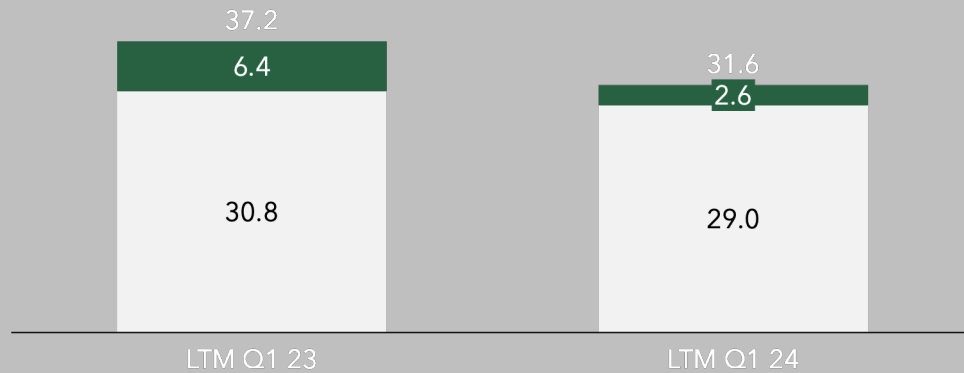
## Quarterly revenues

(EUR million, unaudited)



## LTM revenues

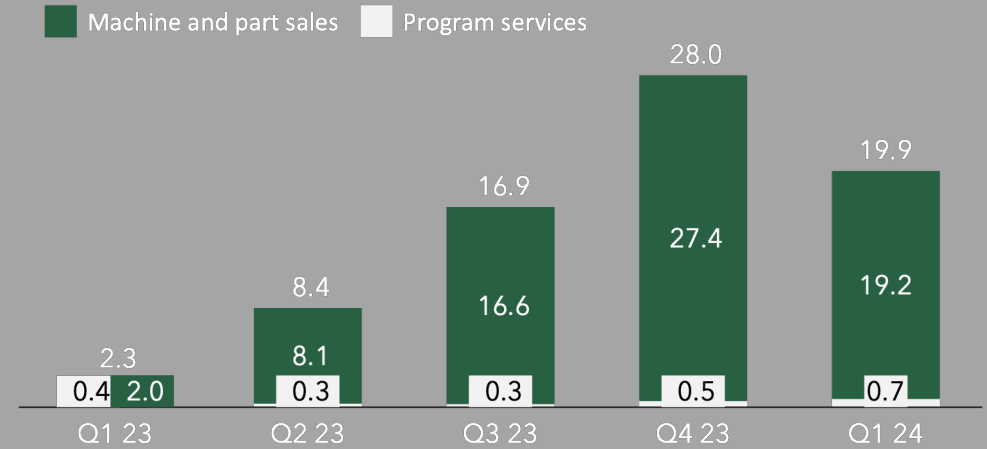
(EUR million, unaudited)



# Europe

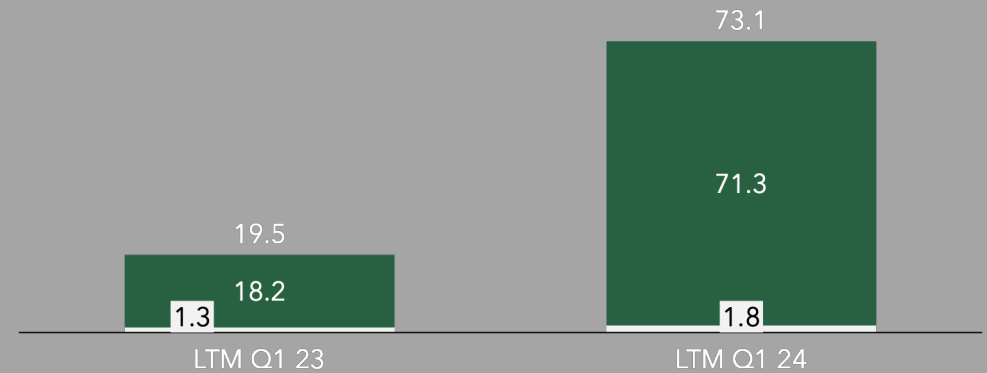
## Quarterly revenues

(EUR million, unaudited)



## LTM revenues

(EUR million, unaudited)



# Envipco share overview

## Share description

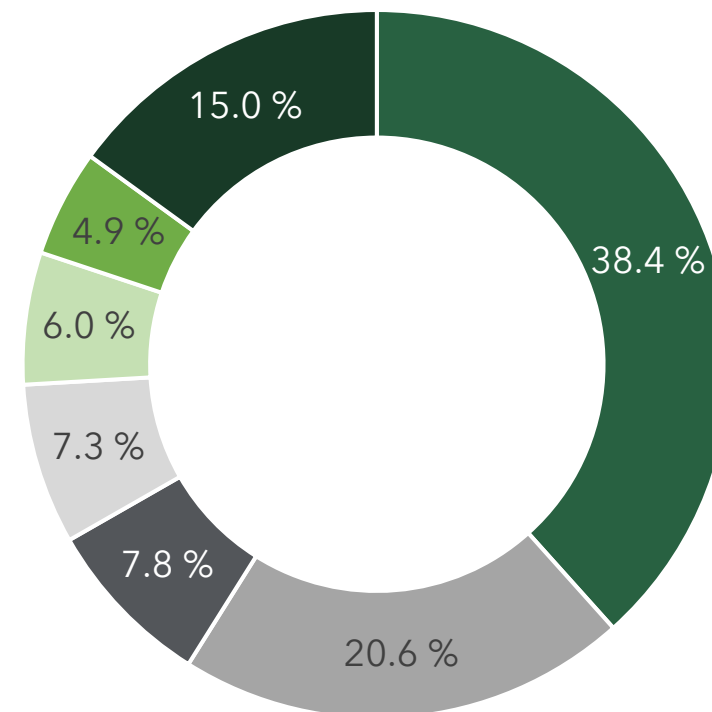
- Listed at Euronext Amsterdam: Ticker ENVI
- Listed at Euronext Growth Oslo - Ticker ENVIP
- Market capitalization: NOK 4.0b / EUR 360m<sup>1</sup>
- # of shares outstanding: 57.7 million



## Top 10 Shareholders March 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%
Leila M. A. Bouri	2,974,600	5.2%
Otus Cap. Mgt	2,785,195	4.8%
Lazard Freres Gestion	2,443,206	4.2%
DNB Asset Management	2,125,360	3.7%

## Shareholdings by country<sup>2</sup>



- Greece
- United States
- Norway
- Finland
- United Kingdom
- France
- Other

1) As of 28.05.2024. 2) as of 2023

# Our journey ahead

## Continue to deliver 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

FÖR EN GOD  
MORGONDAG

Återvin  
din pant här

ICA



# Appendix



# Quantum

The bulk feed champion





## **Modula**

Adaptable high-speed backroom solution

# Profit & Loss\*

in EUR thousands	Q1 24	Q1 23	YTD 24	YTD 23
<b>Revenues</b>	<b>27 436</b>	<b>10 408</b>	<b>27 436</b>	<b>10 408</b>
Cost of sales	(17 831)	(6 882)	(17 872)	(6 882)
<b>Gross Profit</b>	<b>9 606</b>	<b>3 526</b>	<b>9 606</b>	<b>3 526</b>
Selling and distribution expenses	(1 133)	(642)	(1 133)	(642)
General and administrative expenses	(7 046)	(4 785)	(7 046)	(4 785)
Research and development expenses	(590)	(345)	(590)	(345)
Other income	229	2	229	2
<b>Operating Results</b>	<b>1 065</b>	<b>(2 244)</b>	<b>1 065</b>	<b>(2 244)</b>
Financial expense	(479)	(234)	(479)	(234)
Financial income	18	(0)	18	(0)
Net finance (cost) and or income	(461)	(1 044)	(461)	(1 044)
<b>Results before tax</b>	<b>604</b>	<b>(2 478)</b>	<b>604</b>	<b>(2 478)</b>
Income taxes	(458)	(94)	(458)	(94)
<b>Net Results</b>	<b>146</b>	<b>(2 572)</b>	<b>146</b>	<b>(2 572)</b>
<i>Other comprehensive income</i>				
<i>Items that will be reclassified subsequently to profit and loss</i>				
Exchange differences on translating foreign operations	687	(721)	687	(721)
Total other comprehensive income	687	(721)	687	(721)
<b>Total comprehensive income</b>	<b>833</b>	<b>(3 293)</b>	<b>945</b>	<b>(3 293)</b>
<b>Profit attributable to:</b>				
Owners of the parent	147	(2 573)	147	(2 573)
Non-controlling interests	(1)	1	(1)	1
<b>Total Profit/(loss) for the period</b>	<b>146</b>	<b>(2 572)</b>	<b>146</b>	<b>(2 572)</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the parent				
Non-controlling interests	834	(3 294)	834	(3 294)
	(1)	1	(1)	1
	<b>833</b>	<b>(3 293)</b>	<b>833</b>	<b>(3 293)</b>
Number of weighted average (exclude treasury shares) shares used for calculations of EPS				
Earnings/(loss) per share for profit attributable to the ordinary equity holders of the parent during the period	57,690	46 051	57 690	46 051
- Basic (euro)	0.00	(0.06)	0.00	(0.06)

\* Unaudited figures. 2023 financial statements are subject to audit adjustments.

# Balance sheet\*

in EUR thousands	Note	31.03.24	31.12.23	31.03.23
<b>Assets</b>				
<b>Non-current assets</b>				
Intangible assets		9 292	9 240	8 706
Property, plant and equipment		19 274	17 503	14 994
Financial assets		1 899	1 499	13
Deferred tax assets		1 973	2 338	1 937
<b>Total non-current assets</b>		<b>32 439</b>	<b>30 580</b>	<b>25 650</b>
<b>Current assets</b>				
Inventory		35 463	32 190	29 785
Trade and other receivables		25 022	23 654	17 046
Cash and cash equivalents		33 473	9 890	6 343
Restricted cash		-	-	340
<b>Total current assets</b>		<b>93 958</b>	<b>65 733</b>	<b>53 514</b>
<b>Total assets</b>		<b>126 397</b>	<b>96 314</b>	<b>79 165</b>

in EUR thousands	Note	31.03.24	31.12.23	31.03.23
<b>Equity</b>				
Share capital		2 885	2 585	2 303
Share premium		95 504	71 022	71 606
Translation reserves		5 197	4 510	4 870
Legal reserves		7 732	7 725	7 422
Retained earnings		(42 945)	(43 092)	(47 084)
<b>Equity attributable to owners of the parent</b>		<b>68 372</b>	<b>42 748</b>	<b>39 117</b>
Non-controlling interests		45	45	44
<b>Total equity</b>		<b>68 416</b>	<b>42 794</b>	<b>39 161</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Borrowings		13 500	9 312	10 631
Lease liabilities		2 584	2 535	2 306
Other liabilities		182	121	120
Deferred tax liability		48	50	-
<b>Total non-current liabilities</b>		<b>16 314</b>	<b>12 018</b>	<b>13 057</b>
<b>Current liabilities</b>				
Borrowings		6 072	7 363	1 961
Trade creditors		20 079	15 850	9 989
Accrued expenses		9 014	10 802	11 807
Provisions		2 325	1 952	371
Lease liabilities		1 077	1 059	980
Tax and social security		3 100	4 478	1 839
<b>Total current liabilities</b>		<b>41 667</b>	<b>41 502</b>	<b>26 947</b>
<b>Total liabilities</b>		<b>57 981</b>	<b>53 520</b>	<b>40 004</b>
<b>Total equity and liabilities</b>		<b>126 397</b>	<b>96 314</b>	<b>79 165</b>

\* Unaudited figures. 2023 financial statements are subject to audit adjustments.

# Cash Flow Statement\*

in EUR thousands	Note	Q1 24	Q1 23	YTD 24	YTD 23
<b>Cashflow from operating activities</b>					
Operating results		1 065	(2 244)	1 065	(2 244)
Adjustment for:					
Depreciation & Amortization		1 676	1 378	1 676	1 378
Changes in:					
Changes in trade and other receivables		(2 697)	(3 856)	(2 697)	(3 856)
Changes in inventories		(2 367)	(6 380)	(2 367)	(6 380)
Changes in provisions		361	(303)	361	(303)
Changes in trade and other payables		(135)	(9 810)	(135)	(9 810)
<b>Cash generated from operations</b>		<b>(2 098)</b>	<b>(21 215)</b>	<b>(2 098)</b>	<b>(21 215)</b>
Interest received and paid		(482)	(238)	(482)	(238)
Income taxes paid		(92)	(94)	(92)	(94)
<b>Net cash flow from operating activities</b>		<b>(2 672)</b>	<b>(21 546)</b>	<b>(2 672)</b>	<b>(21 546)</b>
<b>Investing activities</b>					
Development expenditure, patents		(519)	(419)	(519)	(419)
Investments in property, plant & equipment		(423)	(334)	(423)	(334)
<b>Net cash flow used in investing activities</b>		<b>(942)</b>	<b>(753)</b>	<b>(942)</b>	<b>(753)</b>
<b>Financial activities</b>					
Proceeds of share issue		24 789	14 514	24 789	14 514
Changes in borrowings – proceeds		2 960	-	2 960	-
Changes in borrowings – repayments		(226)	(1 717)	(226)	(1 717)
Changes in lease liabilities		(347)	(266)	(347)	(266)
<b>Net cash flow from financing activities</b>		<b>27 175</b>	<b>12 531</b>	<b>27 175</b>	<b>12 531</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>23 561</b>	<b>(9 768)</b>	<b>23 561</b>	<b>(9 768)</b>
Opening position		9 890	16 121	9 890	16 121
Foreign currency differences on cash and cash equivalents		22	(10)	22	(10)
Closing position		33 473	6 343	33 473	6 343
<b>The closing position consists of:</b>					
Cash and cash equivalents		33 473	6 343	33 473	6 343
<b>Total closing balance in cash and cash equivalents</b>		<b>33 473</b>	<b>6 343</b>	<b>33 473</b>	<b>6 343</b>

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