

## Envipco Announces 2022 Second Quarter Results Unaudited

*Record quarter with 103% year-on-year revenue growth in Q2 2022*

Regulated Information

### Key figures

in EUR millions	Q2 2022	Q2 2021	H1 2022	H1 2021	FY 2021
Revenues	16.6	8.2	27.0	16.6	38.4
Gross Profit	5.5	3.0	9.0	6.1	13.4
Gross profit %	33.3%	37.0%	33.2%	37.0%	35.0%
Operating Expenses	5.8	3.4	10.3	7.2	14.7
EBIT	(0.2)	(0.2)	(1.4)	2.5*	2.3*
Net profit/(loss) after taxes after minority	(0.4)	(0.1)	(1.8)	1.9	0.6
EBITDA	0.9	0.9	0.7	4.3	5.5
Earnings/(loss) per share in €	(0.01)	(0.00)	(0.04)	0.04	0.01
Shareholders' equity	32.1	30.9	32.1	30.9	30.5

\*Including other income of EUR 3.4 million positive (DPG settlement, PPP forgiveness).

### Highlights

- Record quarter with 103% year-on-year revenue growth to EUR 16.6 million in Q2'22
- Strong quarter in Europe with Q2'22 year-on-year revenue growth of 271% to EUR 5.3 million, driven by 353% growth in RVM sales stemming from Malta and Sweden
- Continued expansion in North America with Q2'22 year-on-year revenue growth of 67% to EUR 11.4 million, driven by strong growth in both Program Service volumes and RVM sales
- Significant contract won with Iceland Foods to install RVMs in all stores operating in Scotland, a promising steppingstone towards becoming successful in this important market
- Gross margin in Q2'22 33.3% up from 32.9% in Q1'22 from improved labor efficiencies and cost stabilization of components and logistics
- Organizational investments and significant increased market development activities in Ireland, Romania, and Portugal tied to DRS legislation and implementation

## Comment of Simon Bolton, CEO Envipco

*“Q2 was a record revenue quarter for the business and the result of strong execution across our existing and targeted new DRS markets. We were delighted to announce our first success in the UK with Iceland Foods in Scotland and anticipate that we will build on this in the next months as other commercial processes conclude. In addition, this quarter showed improved core Gross Margins which have stabilized and continue to show recovery from Q4 2021. In what is still an uncertain supply chain environment, we are continuing to manage cost, scale and optimize production, and streamline logistics, positioning the company well for profitable expansion. Wider activity and progress continue at a good pace in Romania, Ireland, Portugal, and Central Europe. The business has delivered a strong H1 in 2022 and we remain optimistic about solid growth this year and setting a good foundation towards our long-term targets.” – Simon Bolton, CEO*

## Outlook

As evidenced by the strong growth and high commercial activity seen in the quarter, Envipco continues to develop and expand across Europe and North America as the markets mature and DRS schemes approach go-live. The company is progressing steadily with substantial opportunities with retailers in the United Kingdom and is strengthening its position with key retailers in the United States. More than ever, Envipco is well positioned for continued strong growth in H2 2022 and the longer term. The company maintains a strong orderbook for Q3'22 including continued revenue recognition from the Malta contract, and new opportunities are materializing throughout Europe and in North America.

Gross margin continues to be a key focus area following the challenging market conditions and inflationary pressures seen in 2021. While component and transportation costs show signs of stabilizing, the company recognizes the risks and uncertainties stemming from the current economic and geopolitical climate. Thus, Envipco is continuously managing product cost, improving price levels, and working to ensure a lean and profitable business. Envipco has, through the first six months of 2022, improved labor efficiencies, phasing out temporary labor, and initiated several cost optimization projects. With the ramp up of the new Romanian facility we expect to increase production capacity, reduce manufacturing costs, simplify supply chains, and lower freight costs

Envipco maintains investment in organization and infrastructure to allow execution on the opportunities ahead. Market development activities are progressing steadily, and the company is in a strong position to capture new market share as DRS-legislation is introduced. 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. We are excited to be creating a cleaner world for future generations through our recycling technology.

Please refer to our website [www.envipco.com](http://www.envipco.com) to download a full pdf version of our 2022 Second Quarter Report.

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## **About Envipco Holding N.V.**

Envipco Holding N.V. (Envipco), [www.envipco.com](http://www.envipco.com), is a Netherlands-based holding company listed on Euronext Amsterdam (Symbol: ENVI) and Euronext Growth Oslo (Symbol: ENVIP). Envipco, with operations in several countries around the globe, is a recognized leader in the development and operation of reverse vending machines (RVMs), automated technological systems for the recovery of used beverage containers. Known for its innovative technology and market leadership, Envipco holds several intellectual property rights for RVM systems, including but not limited to beverage refund deposit markings, material type identification, compaction and accounting.

*This announcement contains forward-looking statements concerning the condition and business of Envipco. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are statements of future expectations that are based on management's current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. Forward-looking statements include, among other things, statements expressing management's expectations, beliefs, estimates, forecasts, projections and assumptions. All forward-looking statements contained in this announcement are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Readers should not place undue reliance on forward-looking statements. This information is subject to the disclosure requirements pursuant to Section 5-12 of the Norwegian Securities Trading Act.*