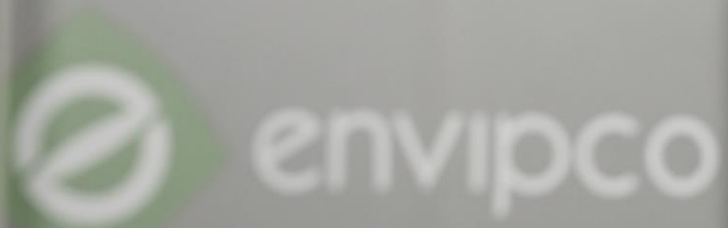


Q4 23

Results presentation | 7 March 2024



Disclaimer

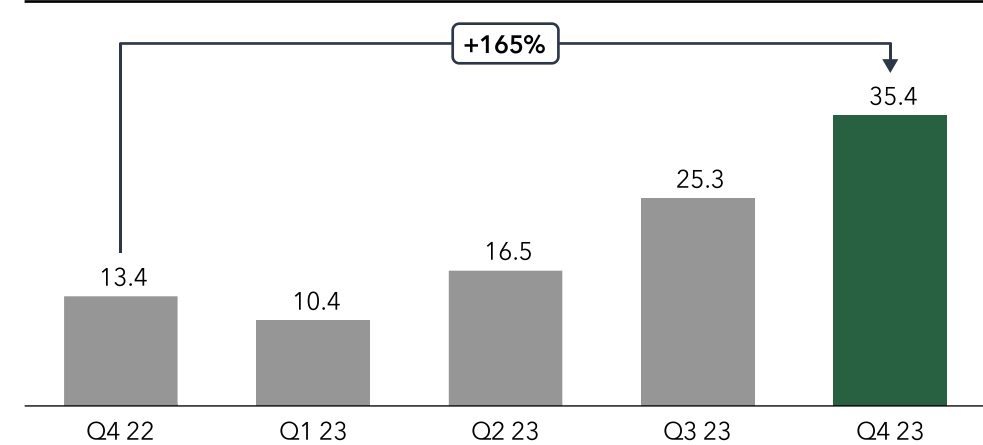
THIS PRESENTATION may contain forward looking statements. These statements are based on current expectations, estimates and projections of Envipco's management and information currently available to the company. Envipco cautions that such statements contain elements of risk and uncertainties that are 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.

Highlights Q4 2023

- Record group revenues of EUR 35.4m (+165%)
- Gross profits up 201% y/y to EUR 12.6m on wider gross margin of 35.5%
- Leveraging on operational investments leading to all-time high EBITDA of EUR 5.9m (16.6%)
- Strong working capital management with cash up EUR 5.9m to EUR 9.9m at year-end

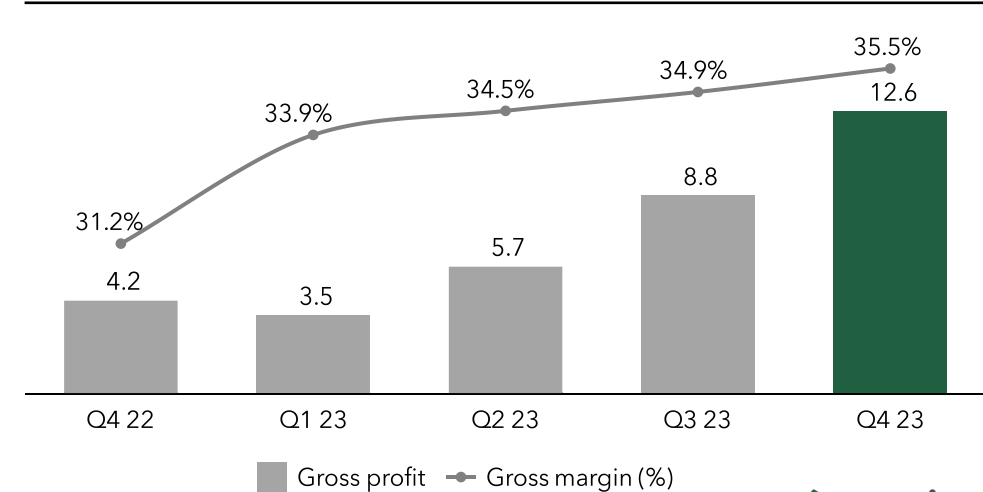
Revenue development

EUR million, Unaudited



Gross profit development

EUR million, Unaudited



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 87.6 million

revenue 2023

2.3x

revenue multiple 2021 - 2023

35.5%

Q4 23 gross margin

...with 2025 ambition

4 - 6x

revenue growth from 2021

+30%

market share in new markets

40%

gross margin

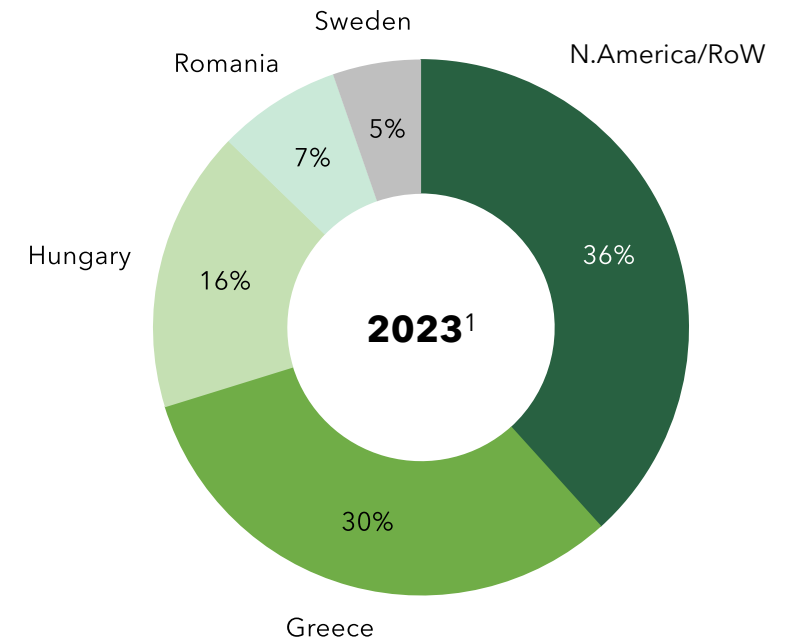
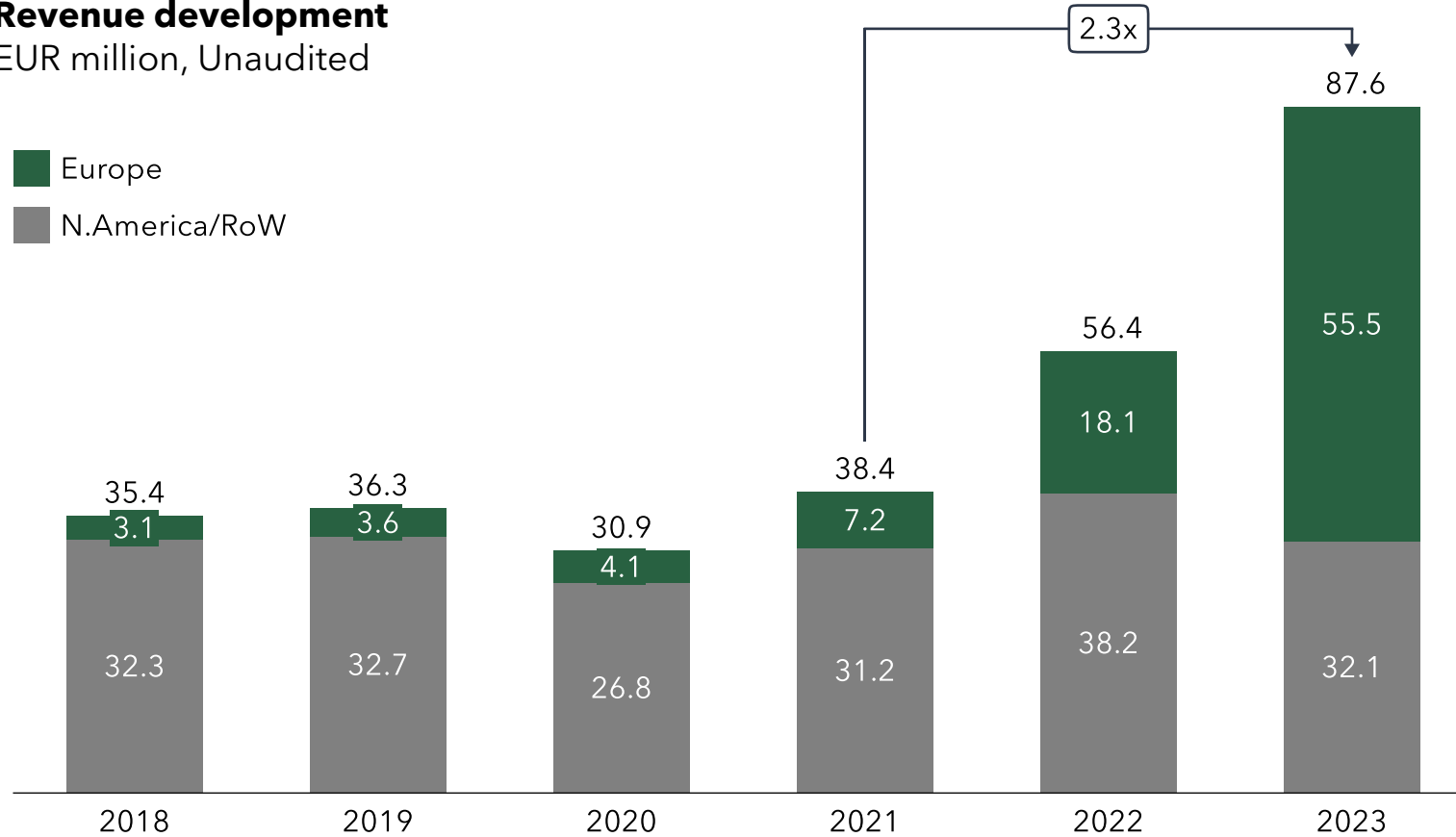
Delivering on European growth strategy

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.

Invested in building a market position

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

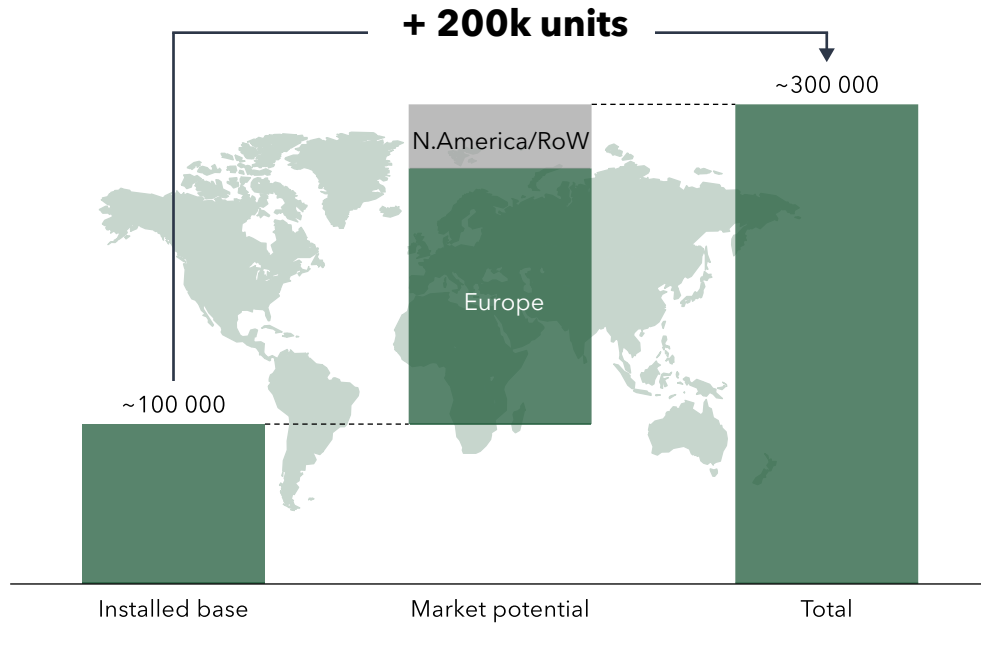


- Revenue generating country
- Commercial engagement
- Preparations
- Sales office
- Manufacturing facility

...making strong headways in new growth markets

	<ul style="list-style-type: none"> • Installed 270+ Quantum recycling centers and +300 RVMs • Project continuing into 2024/25 with significant potential 	>90% Mkt share
	<ul style="list-style-type: none"> • Installed 700+ RVMs with MOL group of 2,300-unit order • Extension order for up to 2,000 RVMs 	~50% Mkt share
	<ul style="list-style-type: none"> • Installed 300+ RVMs • Follow-on order of 100+ RVMs awarded in Q4 23 • Commenced installation of Modulas in Romania 	+30% Mkt share
	<ul style="list-style-type: none"> • Secured preferred supplier agreement with largest independent network in Ireland supporting 1,000 locations • Commenced installation of RVMs across Ireland 	2024 launch

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



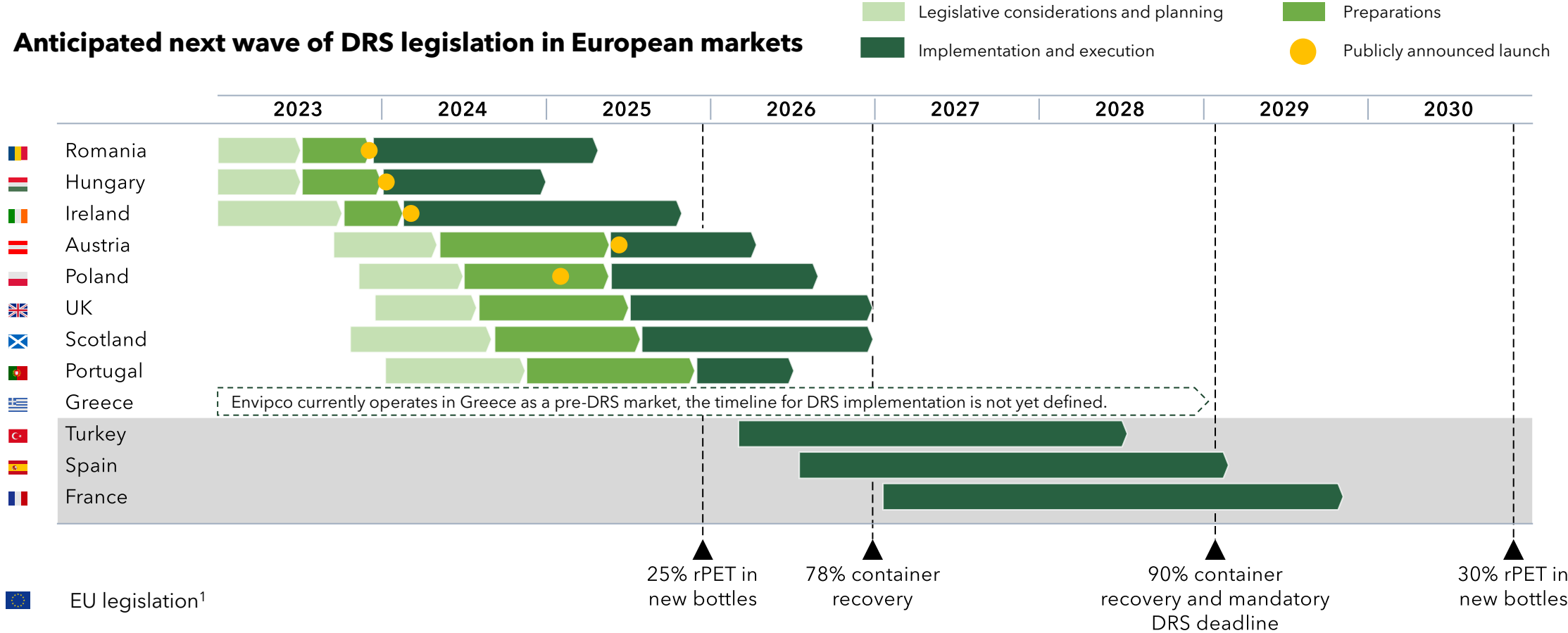
Industry acknowledgment that deposit return schemes work and serves the interest of all stakeholders



Threat avoidance on PET packaging bans

DRS second wave

Anticipated next wave of DRS legislation in European markets



1) Key milestones taken from Council of the European Union position on 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, 18 December 2023 and pending final adoption.

A close-up, shallow depth-of-field photograph of a robotic arm in a factory. The arm is grey and metallic, with a black, angular end effector. The background is filled with blurred industrial machinery, including metal frames and pipes, creating a sense of a busy manufacturing environment. The lighting is soft and focused on the foreground components.

Operational review

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

Ample production capacity

Naugatuck (CT), USA



Invested in production capacity to support expected growth

- Distributed manufacturing in North America and Europe, reducing time of delivery and shipping cost
- Scale to increase utilization and reduce production cost over time
- Ability to serve Tier 1 customers in any location

Osnabruck, Germany



30,000

RVM production capacity per year

Sebes, Romania



3,000

Quantum/Modula production capacity per year

Europe

Q4 23

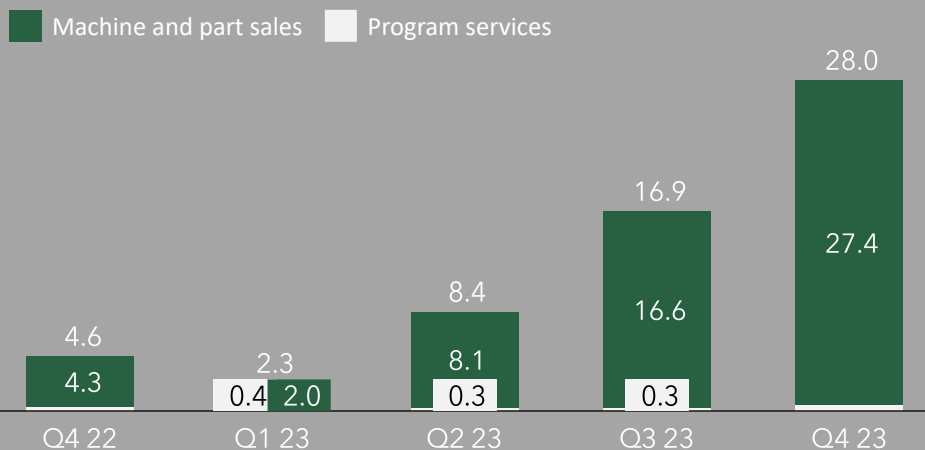
- Q4 revenues up 506% y/y to record EUR 28.0m
 - 2023 revenues +206% to EUR 55.5m
- Revenue growth driven by strong RVM sales increasing 538% y/y to EUR 27.4m
 - Greece, Hungary and Romania key revenue drivers
- Program services EUR 0.5m

Business development

- Accelerated Quantum deployments in Greece
- Initial RVM installations in Ireland
- Modula rollout on plan in Romania
- Piloting Quantum in new markets

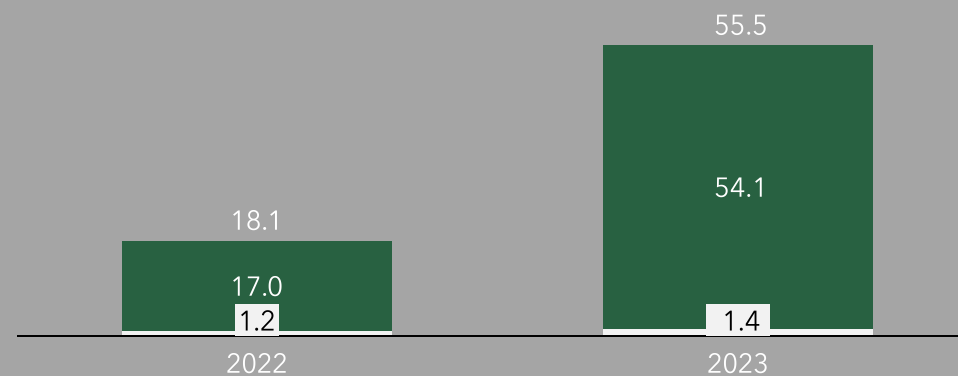
Quarterly revenues

(EUR million, unaudited)



Full year revenues

(EUR million, unaudited)



North America

Q4 23

- Revenues of EUR 7.5m (-15% y/y)
 - 2023 revenues EUR 32.1m, down 16% y/y
- Program services revenues down 3%
- RVM sales of EUR 0.4m (EUR 1.5m)

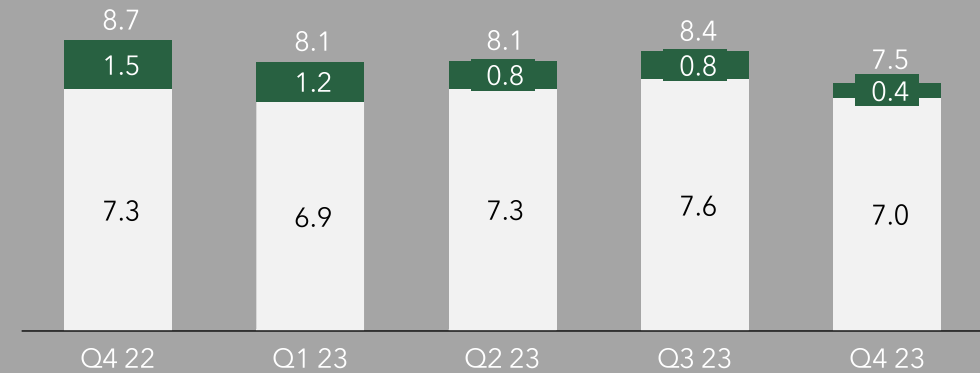
Business development

- CT doubling of deposit to \$.10 effective January 2024 will have positive impact on program services
- MA and NY legislative activity building to modernize their deposit schemes
- Continued focus on CA with proof-of-concept pilots being developed

Quarterly development

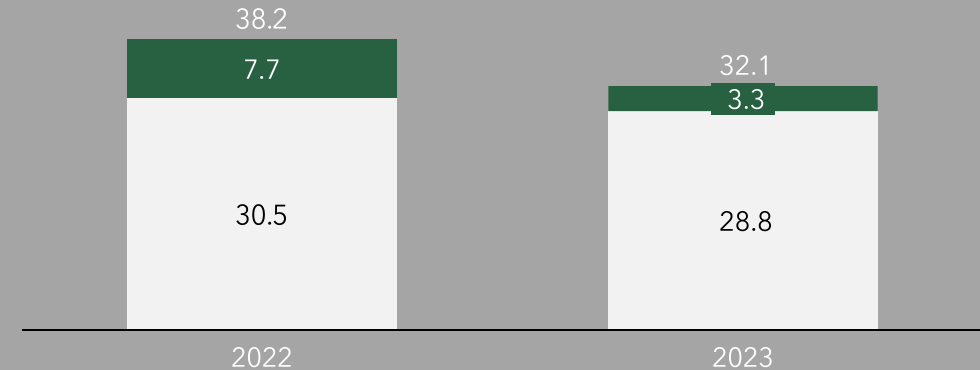
(EUR million, Unaudited)

Machine and part sales Program services



Full year

(EUR million, Unaudited)



California

- Important revisions to DRS effective from 1 Jan 2025 could drive demand for centralized collection technology
- First Optima pilot launched in Los Angeles
- Envipco actively pursuing Quantum pilots in California





Financial review

Ending the year on a strong note

in EUR millions, unaudited	Q4 23	Q4 22	2023	2022
Revenues	35.4	13.4	87.6	56.4
- Europe	28.0	4.6	55.5	18.1
- North America ²	7.5	8.7	32.1	38.2
Gross Profit	12.6	4.2	30.6	18.5
Gross profit %	35.5%	31.2%	35.0%	32.8%
Operating Expenses	8.8	6.5	28.4	23.1
EBIT	4.2³	(2.3)¹	2.7³	(2.7)¹
Net profit/(loss) after taxes and minorities	4.1 ³	(2.0) ¹	1.4 ³	(4.2) ¹
EBITDA	5.9³	(1.1)¹	8.8³	2.3¹

Q4 23

- Record group revenue up 165% y/y to EUR 35.4m
 - Europe comprising 79% of group revenues (+506%)
- Gross margin 35.5%, up from 31.2% in Q4 22 and 34.9% in Q3 23
 - Gross earnings +201% y/y to EUR 12.6m
- Operating expenses reduced to 25% share of sales from 49% in Q4 22
 - EUR 8.8m, +34% y/y vs EUR 6.5m Q4 23
 - Higher activity levels and IT implementation costs
- EBITDA margin of 16.6%, up from -8.0% in Q4 22
 - EBITDA EUR 5.9m

1) Including other income 2022 of EUR 2.0 million (PPP forgiveness).

2) Includes Rest of the World (RoW).

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

On a good trajectory to reach targets

in EUR millions, unaudited	Q4 23	Q4 22	2023	2022
Revenues	35.4	13.4	87.6	56.4
- Europe	28.0	4.6	55.5	18.1
- North America ²	7.5	8.7	32.1	38.2
Gross Profit	12.6	4.2	30.6	18.5
Gross profit %	35.5%	31.2%	35.0%	32.8%
Operating Expenses	8.8	6.5	28.4	23.1
EBIT	4.2	(2.3)¹	2.7³	(2.7)¹
Net profit/(loss) after taxes and minorities	4.1	(2.0) ¹	1.4 ³	(4.2) ¹
EBITDA	5.9	(1.1)¹	8.8³	2.3¹

2023

- Record group revenue up 55% y/y to EUR 87.6m
 - Europe revenues 63% of group revenues
- Gross margin 35.0%, up from 32.8% in 2022
- Operating expenses +22% y/y to EUR 28.4m
 - Leveraging on investments in organisation
- EBITDA margin of 10.0%, up from 4.0% in 2022
 - EBITDA EUR 8.8m in 2023
- 2023 net profit EUR 1.4m vs EUR -4.2m in 2022

1) Including other income 2022 of EUR 2.0 million (PPP forgiveness).

2) Includes Rest of the World (RoW).

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

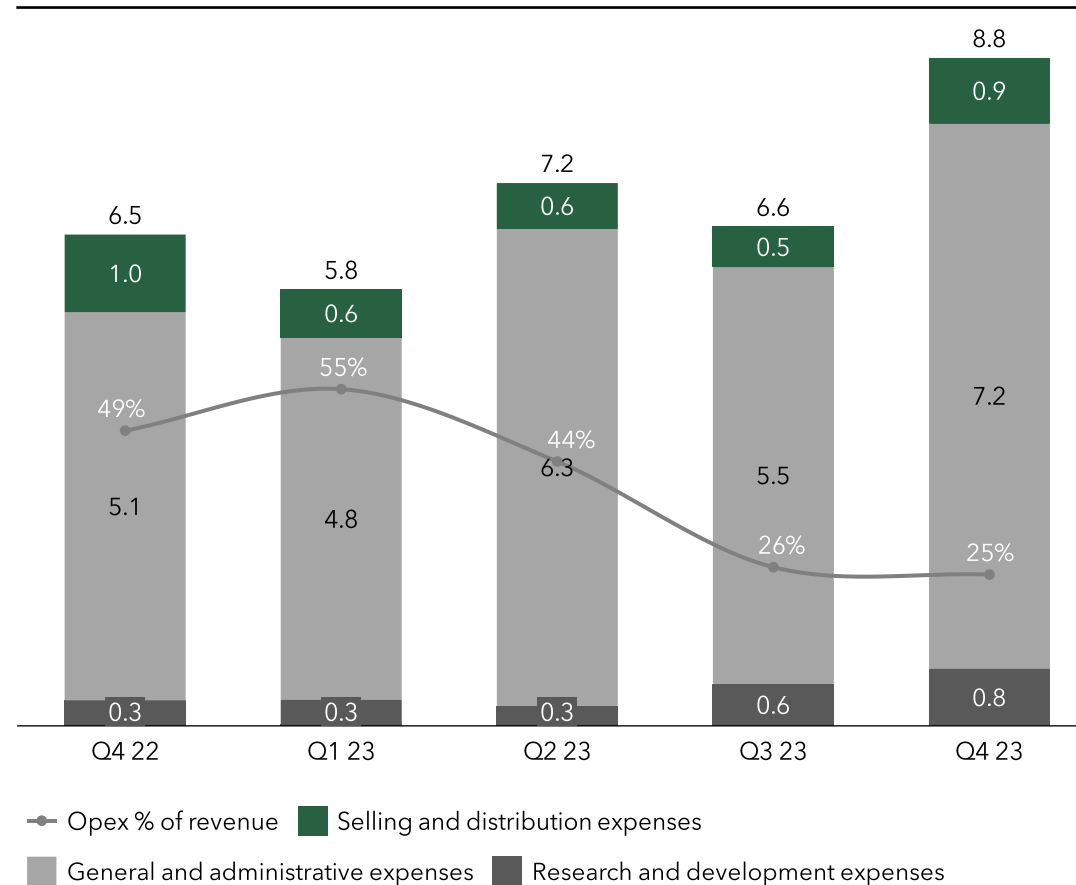
Building a scalable European RVM business

Q4 23

- Operating costs up 34% y/y to EUR 8.8m in Q4 23
- G&A expenses EUR 7.2m (5.1m)
 - Elevated levels of operating costs in Q4 23 attributable to IT implementation costs and increased sales levels
- Selling and distribution cost EUR 0.9m (1.0m)
- R&D expenses EUR 0.8m vs EUR 0.3m Q4 22
- Opex as percentage of sales down to 25% from 49% in the year-earlier period.
- 411 employees vs 279 at year end 2022

Operating expenses

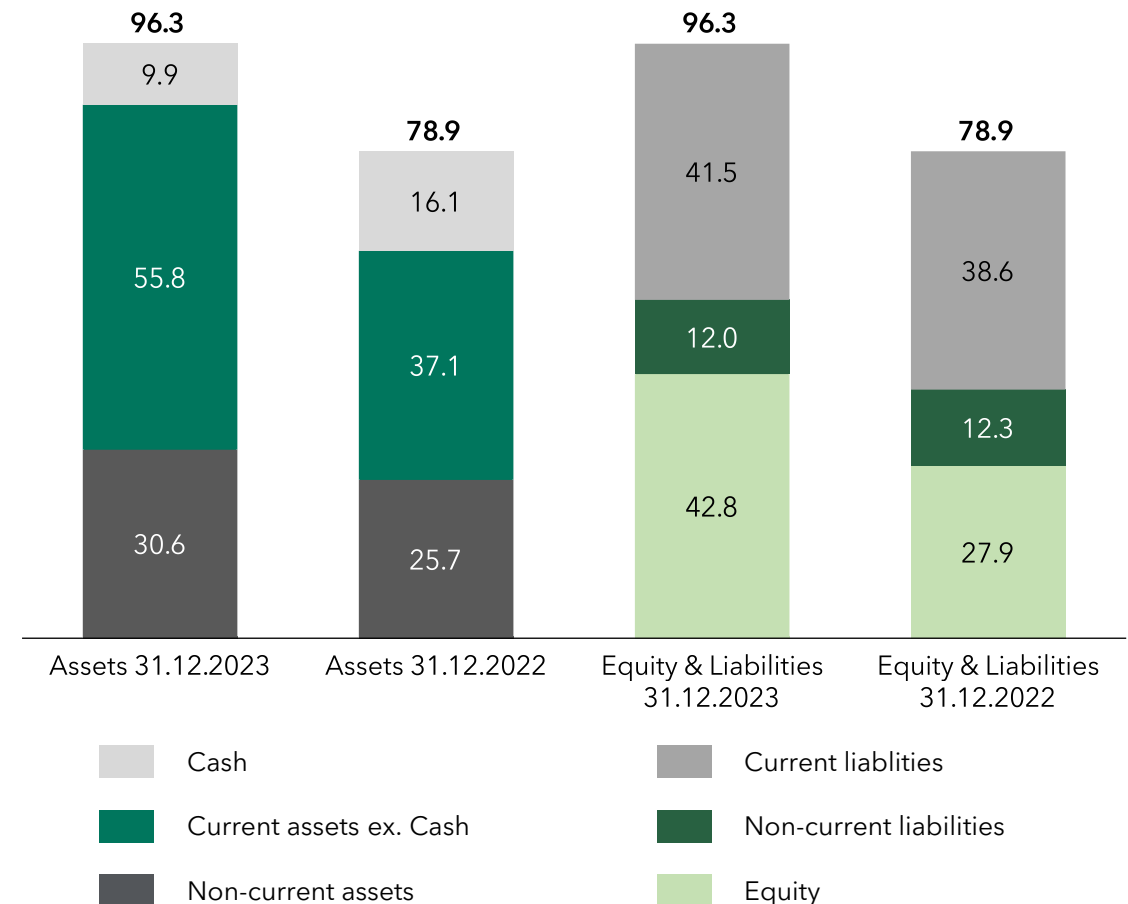
(EUR million, Unaudited)



Financial position

- Total assets EUR 96.3m up from EUR 78.9m in 2022
- Non-current assets EUR 30.6m (25.7m)
 - Primarily PPE (EUR 17.5m) and intangible assets from activated development expenses (EUR 9.2m)
- Gross working capital EUR 55.8m (37.1m)
 - Down sequentially on increased cash collection
- Cash balance of EUR 9.9m
- Total borrowings EUR 16.7m (14.6m)
 - Net debt EUR 6.8m vs net cash EUR 1.6m 2022, but down EUR 9.3m from Q3 23 net debt EUR 16.1m
- Total equity of EUR 42.8m vs EUR 27.9m 2022
 - Equity ratio 44% (35%)

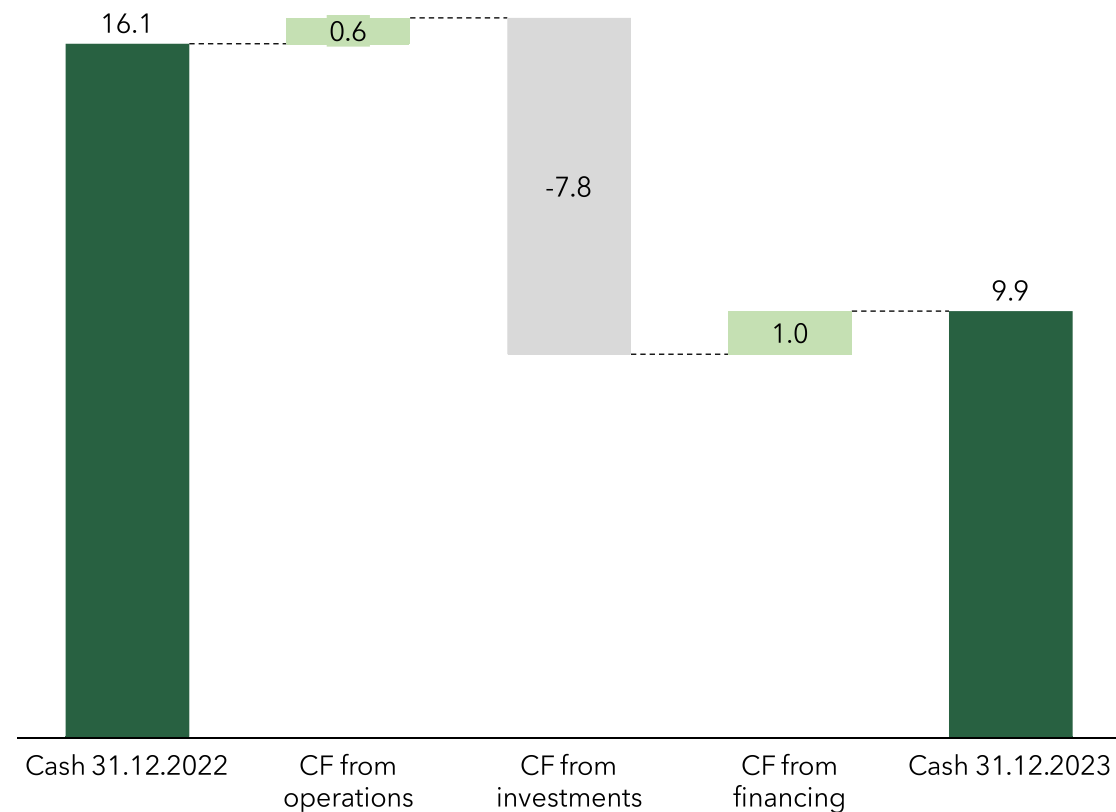
Balance sheet (EUR million, Unaudited)



Cash flow

- Cash from operating activities EUR 0.6m
 - EBITDA EUR 8.8m
 - Working capital build-up of EUR 8.3m on higher sales, driving receivables and inventory
- Cash flow from investing activities EUR -7.8m
 - Investments in PP&E -6.0m and R&D -2.1m
- Cash flow from financing of EUR 1.0m
 - Private placement offset by debt repayments
- Q4 23 cash flow
 - Cash from operations EUR 13.1m
 - Cash from investments EUR -4.1m
 - Cash from financing EUR -3.1m for a net change in cash of EUR 5.9m

Cash flow 2023 (EUR million, Unaudited)



Summary

Envipco is delivering on its growth strategy

- Securing leading market position in key new growth markets
- Group revenues 2.3x 2021 with 2023 revenues +55% y/y

Committed to 40% gross margin target

- Expect improved gross margins and operational gearing

Promising revenue outlook for 2024

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

Market share in
new markets

+30%

Revenue growth
2021 - 2025

4x - 6x

Gross margin

40%



Q&A

Next event: May 21, 2024 - Q1 24 results

A close-up, shallow depth-of-field photograph of an industrial robotic assembly line. The focus is on a grey robotic arm in the foreground, which is holding a dark, rectangular component. The background is filled with blurred metal structures and machinery, suggesting a complex manufacturing environment. The lighting is soft and industrial, highlighting the metallic textures and the precision of the equipment.

Appendix

Profit & Loss*

in EUR thousands	Q4 23	Q4 22	FY 2023	FY 2022
Revenues	35 423	13 356	87 581	56 373
Cost of sales	(22 842)	(9 188)	(56 964)	(37 911)
Gross Profit	12 580	4 168	30 617	18 462
Selling and distribution expenses	(869)	(1 024)	(2 661)	(3 437)
General and administrative expenses	(7 201)	(5 131)	(23 789)	(18 342)
Research and development expenses	(756)	(337)	(1 924)	(1 351)
Other income	490	0	492	1 958
Operating Results	4 244	(2 324)	2 735	(2 710)
Financial expense	(330)	4	(1 212)	(1 341)
Financial income	40	76	84	97
Net finance (cost) and or income	(290)	80	(1 128)	(1 244)
Results before tax	3 954	(2 244)	1 606	(3 954)
Income taxes	143	275	(186)	(224)
Net Results	4 097	(1 969)	1 421	(4 178)
<i>Other comprehensive income</i>				
<i>Items that will be reclassified subsequently to profit and loss</i>				
Exchange differences on translating foreign operations	(1 135)	(3 977)	(1 082)	1 625
Total other comprehensive income	(1 135)	(3 977)	(1 082)	1 625
Total comprehensive income	2 962	(5 946)	339	(2 553)
Profit attributable to:				
Owners of the parent	4 094	(1 967)	1 418	(4 182)
Non-controlling interests	3	(2)	3	4
Total Profit/(loss) for the period	4 097	(1 969)	1 421	(4 178)
Total comprehensive income attributable to:				
Owners of the parent				
Non-controlling interests	2 960	(5 944)	337	(2 556)
	3	(2)	3	4
	2 962	(5 946)	339	(2 553)
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	51 690	46 051	51 690	46 051
- Basic (euro)	0.08	(0.04)	0.03	(0.09)

* Unaudited figures

Balance sheet*

in EUR thousands	Note	31.12.23	31.12.22
Assets			
Non-current assets			
Intangible assets		9 240	8 595
Property, plant and equipment		17 503	14 175
Financial assets		1 499	830
Deferred tax assets		2 338	2 081
Restricted cash		-	-
Total non-current assets		30 580	25 681
Current assets			
Inventory		32 190	24 114
Trade and other receivables		23 654	12 633
Cash and cash equivalents		9 890	16 121
Restricted cash		-	340
Total current assets		65 733	53 208
Total assets		96 314	78 889

in EUR thousands	Note	31.12.23	31.12.22
Equity			
Share capital		2 585	2 303
Share premium		71 022	56 939
Translation reserves		4 510	5 591
Legal reserves		7 725	7 575
Retained earnings		(43 092)	(44 511)
Equity attributable to owners of the parent		42 748	27 897
Non-controlling interests		45	43
Total equity		42 794	27 940
Liabilities			
Non-current liabilities			
Borrowings		9 312	10 930
Lease liabilities		2 535	1 233
Other liabilities		121	120
Deferred tax liability		50	50
Total non-current liabilities		12 018	12 333
Current liabilities			
Borrowings		7 363	3 620
Trade creditors		15 850	10 055
Share lending liability		-	15 000
Accrued expenses		10 802	7 458
Provisions		1 952	680
Lease liabilities		1 058	620
Tax and social security		4 478	1 182
Total current liabilities		41 502	38 616
Total liabilities		53 520	50 949
Total equity and liabilities		96 314	78 889

* Unaudited figures

Cash Flow Statement*

in EUR thousands	Note	FY 2023	FY 2022
Cashflow from operating activities			
Operating results		2 735	(2 710)
Adjustment for:			
Depreciation & Amortization		6 034	4 969
PPP loan forgiveness		-	(1 948)
Changes in:			
Changes in trade and other receivables		(12 268)	807
Changes in inventories		(8 734)	(8 424)
Changes in provisions		1 283	499
Changes in trade and other payables		12 644	5 572
Cash generated from operations		1 693	(1 236)
Interest received and paid		(775)	(249)
Income taxes paid		(366)	(278)
Net cash flow from operating activities		552	(1 763)
Investing activities			
Development expenditure, patents		(2 112)	(2 462)
Investments in property, plant & equipment		(6 014)	(5 944)
Restricted cash (non-current)		340	-
Net cash flow used in investing activities		(7 786)	(8 406)
Financial activities			
Proceeds of share issue		14 514	-
Proceeds share lending		(15 000)	15 000
Changes in borrowings - proceeds		9 000	13 696
Changes in borrowings - repayments		(6 440)	(4 779)
Changes in lease liabilities		(1 088)	(648)
Net cash flow from financing activities		986	23 269
Net increase/(decrease) in cash and cash equivalents		(6 249)	13 101
Opening position		16 121	3 061
Foreign currency differences on cash and cash equivalents		17	(41)
Closing position		9 890	16 121
The closing position consists of:			
Cash and cash equivalents		9 890	16 121
Total closing balance in cash and cash equivalents		9 890	16 121

* Unaudited figures



Contact:

EnvipcoInvestorRelations@envipco.com

<mailto:investorrelations@envipco.com>

www.envipco.com

