



# Envipco Holding N.V.

Interim Financial Report | Fourth Quarter 2023



# Envipco

Envipco is a leading recycling technology company, with more than four decades of experience delivering reverse vending machines (RVMs) and systems to leading customers operating deposit return schemes (DRS) across the world. The company holds a broad technology portfolio addressing customer needs across all segments. The company is innovative, has an agile partnership approach, broad operating experience and is a practical enabler of DRS implementation and operation. Known and recognized for its delivery, Envipco offers compelling competitive products and solutions in our chosen markets.

---

## Addressing vast global market

### +200k RVMs

Market potential mainly driven by European growth markets

## Current presence in

### 14 markets

with rapid expansion in Europe from strong foothold in North America

## 2023 revenue

### EUR 87.6 million

at the inflection point for revenue growth with YoY growth of 55%

## Organizational capacity

### 411 employees

globally, an organisation well positioned to drive ambitious growth plans



## Q4 23 Highlights - Accelerated growth and profits

- Group revenues up 165% y/y to EUR 35.4m driven by strong RVM sales.
- Continuing to deliver on European growth strategy with Europe revenues +506% y/y to EUR 28.0m. Key growth drivers in the quarter are Greece, Hungary and Romania.
- Gross profit tripled to EUR 12.6m with improving gross margins to 35.5%. Record EBITDA EUR 5.9m for a margin of 16.6%. Net income EUR 4.1m.
- Ended the quarter with cash balance of EUR 9.9m and net debt down to EUR 6.8m on efficient working capital management.

## 2023 Highlights - Good progress towards 2025 targets

- Group revenues +55% y/y to EUR 87.6m driven by strong RVM sales.
- Major advances in European RVM deployment in new markets. Europe revenues +206% y/y to EUR 55.5m, representing 63% of group revenues.
- Gross margins 35.0%, up from 32.8% in 2022 with gross profit +66% to EUR 30.6m.
- EBITDA EUR 8.8m in 2023 +288% y/y with operating profit at EUR 2.7m vs EUR -2.7m in 2022.

## Key figures\*

in EUR millions	Q4 23	Q4 22	FY 2023	FY 2022
<b>Revenues</b>	<b>35.4</b>	<b>13.4</b>	<b>87.6</b>	<b>56.4</b>
- Europe	28.0	4.6	55.5	18.1
- North America <sup>2</sup>	7.5	8.7	32.1	38.2
<b>Gross Profit</b>	<b>12.6</b>	<b>4.2</b>	<b>30.6</b>	<b>18.5</b>
Gross profit %	35.5%	31.2%	35.0%	32.8%
Operating Expenses	8.8	6.5	28.4	23.1
<b>OPERATING PROFIT</b>	<b>4.2<sup>3</sup></b>	<b>(2.3)<sup>1</sup></b>	<b>2.7<sup>3</sup></b>	<b>(2.7)<sup>1</sup></b>
Net profit/(loss) after taxes after minority	4.1 <sup>3</sup>	(2.0) <sup>1</sup>	1.4 <sup>3</sup>	(4.2) <sup>1</sup>
<b>EBITDA</b>	<b>5.9<sup>3</sup></b>	<b>(1.1)<sup>1</sup></b>	<b>8.8<sup>3</sup></b>	<b>2.3<sup>1</sup></b>
Earnings/(loss) per share in €	0.08	(0.04)	0.02	(0.09)

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

2) Includes Rest of the World (RoW).

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

\* Unaudited figures.

Note: The company published on its' website ([www.envipco.com](http://www.envipco.com)) a restatement of the 2022 quarterly unaudited results to take effect of audit adjustments in the appropriate 2022 quarter. Comparisons to prior year quarters are to the restated/unaudited results.

## CEO comment

We set out on an exciting journey in 2021 setting clear and ambitious financial and operational targets for the company through 2025. Halfway there, I am pleased to share our successes to date, reaffirming that we are on track to deliver on our goals.

2023 revenues increased 55% to EUR 87.6 million, an astounding accomplishment considering the Scottish DRS delay at the end of H1 2023. The company has been able to quickly turn around and shift the circumstances to our benefit, with strong sales gains in Greece, Hungary and Romania offsetting the Scottish shortfall. Revenue gains through the year have been steep with year-on-year revenue growth of 165% in Q4 23 to a record EUR 35.4 million. This builds on strong revenue growth in 2022 giving an annual growth rate of +51% since 2021. Coupled with improving gross margins and operating leverage driving 16.6% EBITDA margin in the final quarter of the year we are well underway to reaching our financial targets.



During this exciting growth period I am proud of the persistence, dedication, and perseverance our team has shown, and I tribute our successes to all Envipco team members across the globe.

Our financial position is healthy and cash flows have improved. Our cash balance increased to EUR 9.9 million at year-end 2023 on back of strong working capital management in the final months of the year.

We are very optimistic about our prospects as we enter 2024. There are several new DRS initiatives in various countries which will open new market opportunities for Envipco in the near and medium term. We have over the past years manifested a strong challenger position in new European DRS markets and are well positioned to win our target share of new market opportunities in the years ahead. We are showing improving gross profitability and anticipate further gains, which together with operating leverage builds a solid foundation for earnings growth ahead.

**- CEO, Simon Bolton**

# Financials

## Profit and loss

**Envipco delivered a record quarter in Q4 23 and ended the year on a strong note. Revenues grew 165% y/y to EUR 35.4m on strong advances in RVM sales. Gross profit tripled to EUR 12.6m with a margin of 35.5%. EBITDA improved further to EUR 5.9m, operating profits increased to EUR 4.2m and net income ended at EUR 4.1m.**

### Fourth quarter 2023

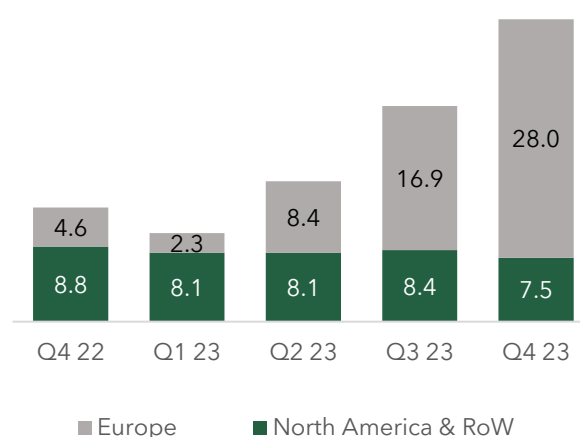
Envipco has seen a strong return on investments in new markets in 2023 with accelerating growth rates and improving profitability through the year. In Q4 23 Envipco reported record revenues of EUR 35.4m, +165% y/y from EUR 13.4m in Q4 22 and +40% q/q from EUR 25.3m in Q3 23.

Key sales drivers in Q4 23 were further advances in RVM sales in European markets. On a product line basis RVM sales were EUR 27.9m in Q4 23, up 381% y/y. Program services, encompassing leasing, service revenues and throughput revenues amounted to EUR 7.5m in Q4 23, down 1% y/y. RVM sales comprised 79% of group revenues, with Program services at 21%.

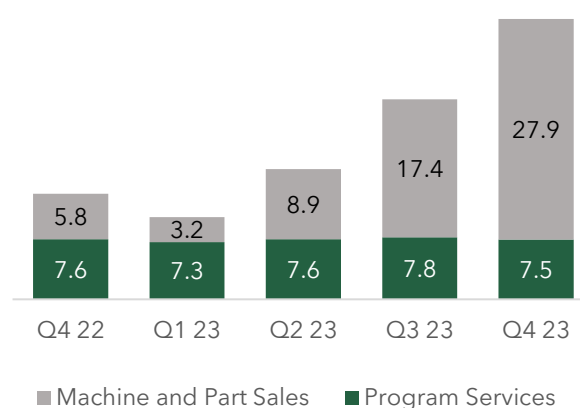
On a regional basis European revenues amounted to EUR 28.0m in Q4 23, comprising 79% of group revenues. Compared to the corresponding period last year, revenues from European activities increased 506% y/y from EUR 4.6m in Q4 22. The largest growth drivers in Q4 23 in Europe were Greece, Hungary and Romania.

Q4 23 revenues from Envipco's North American operations were EUR 7.5m, down 15% y/y. The region's negative y/y growth is largely explained by RVM sales of EUR 0.4m in Q4 23, down from EUR 1.5m in Q4 22 from Connecticut DRS expansion. Program service revenue streams were positively affected by positive momentum in service and lease, offset by lower material prices.

### Market revenue split (EUR million)



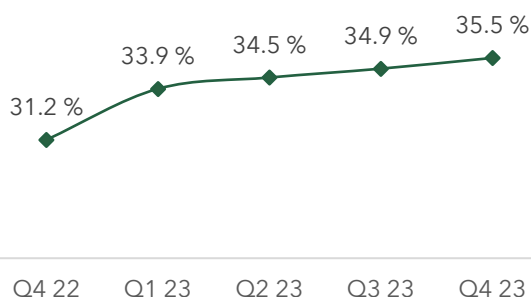
### Revenue categories (EUR million)<sup>1</sup>



1) Recurring program services include service revenue and leasing.

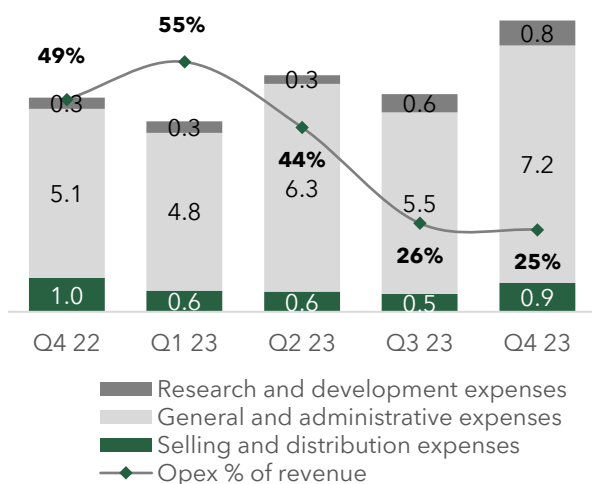
Gross profit was up 201% y/y and up 42% q/q to EUR 12.6m in Q4 23, corresponding to a gross margin of 35.5% in the quarter. This is up from 34.9% in the previous quarter and up from 31.2% in Q4 22. The company is continuing to experience positive gross margin effects from volume increases and manufacturing efficiencies.

### Gross margin development (%)



Operating costs amounted to EUR 8.8m in Q4 23. Operating costs were up 34% y/y from EUR 6.6m in Q4 22. Opex/sales came down to 25% from 49% in the prior year period. Elevated levels of operating costs in Q4 23 were attributable to IT implementation costs and increased sales levels.

### Operating costs (EUR million)



Group EBITDA was EUR 5.9m in Q4 23, up from EUR -1.1m in Q4 22. EBITDA margin was 16.6% in Q4 23, up from EBITDA margin of -8.0% in Q4 22. Q4 23 EBITDA includes other income of EUR 0.5m from resale of UK inventory.

Operating profit ended at EUR 4.2m in Q4 23, up from an operating loss of EUR -2.3m in Q4 22.

Result before tax was EUR 4.0m in Q4 23 vs reported EUR 2.0m in Q4 22. Net income was EUR 4.1m in Q4 23, a sharp improvement from EUR -2.0m in Q4 22.

### FY 2023

Group revenues FY 2023 were EUR 87.6m. This marks 55% revenue growth from EUR 56.4m in 2022. Key sales growth drivers were higher RVM sales, +132% y/y to EUR 57.3m, driven by strong growth in Greece and initial revenues from new markets such as Hungary and Romania. Program service revenues were down 4% y/y to EUR 30.3m in FY 2023 on lower material prices. The company generates limited service-revenues during DRS startup and warranty periods.

European FY 2023 sales grew 206% y/y to EUR 55.5m on higher RVM sales and revenues from new markets. Greece was a key growth driver on widespread deployment of Quantum bulk feed systems. New revenue streams were generated in Hungary and Romania as market participants prepared for the introduction of DRS (deposit return schemes).

North American revenues were down 16% y/y to EUR 32.1m in FY 2023 on lower RVM sales as incremental RVM sales in the wake of the Connecticut DRS expansion in 2022 came to an end.

Gross profit increased 66% y/y to EUR 30.6m in FY 2023. Gross margins expanded to 35.0% up from 32.8% in FY 2022.



Operating costs increased 23% y/y to EUR 28.4m in FY 2023 from EUR 23.1m in FY 2022. The opex/sales ratio came down to 32% from 41% in FY 2022. Envipco has been through a period of increased organizational investments and geographical expansion in the last couple of years. The headcount has increased by 133 during the year from 278 at year-end 2022 to 411 at year-end 2023.

FY 2023 EBITDA was EUR 8.8m, up 288% from EUR 2.3m in FY 2022. Adjusted for the EUR 2.0m other income (PPP forgiveness) last year and other income of EUR 0.5m from resale of UK inventory in FY 2023 the operational EBITDA increased from EUR 0.3m in FY 2022 to EUR 8.3m in FY 2023.

Operating profit FY 2023 ended at EUR 2.7m compared to EUR -2.7m in FY 2022. Results before tax FY 2023 were EUR 1.6m, with net results at EUR 1.4m. Reported results before tax were EUR -4.0m with net results at EUR -4.2m in FY 2022.

## Balance sheet

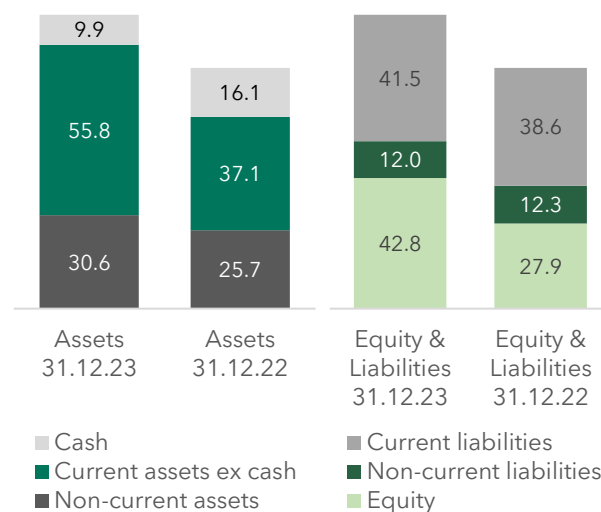
At end of 2023, Envipco had total assets of EUR 96.3m up from EUR 78.9m at end of 2022.

Non-current assets, primarily made up of PPE and intangible assets from activated development expenses, were EUR 30.6m, slightly up from EUR 25.7m at the end 2022.

Working capital has increased during the year on higher activity levels. Inventories of EUR 32.2m at end 2023 were up from EUR 24.1m at end 2022, and trade receivables increased from EUR 12.6m end 2022 to EUR 23.7m end 2023. Gross working capital increased to EUR 55.8m at the end of 2023, from EUR 36.7m at the end of 2022.

Cash balances at the end of 2023 were EUR 9.9m vs EUR 16.4m end 2022.

## Financial position (EUR million)



Total equity amounted to EUR 42.8m at end 2023, corresponding to an equity ratio of 44%. This compared to EUR 27.9m and 35% as of year-end 2022.

Envipco had total borrowings of EUR 16.7m at year-end 2023. Combined with a cash position of 9.9m results in net debt of EUR 6.8m. At year-end 2022 total borrowings were EUR 14.5m excluding the share lending liability for bridge financing of the December 2022 private placement resulting in a net debt of EUR -2.0m.

Trade creditors were EUR 15.9m at end 2023, up from EUR 10.1m at end 2022. Accrued expenses were EUR 10.7m at year-end 2023 vs EUR 7.5m end 2022.

## Borrowings - Third Parties

(EUR Million)	12m ended 31 December 2023	12m ended 31 December 2022
At beginning of period	14.5	7.1
Additions	9.0	13.7
Repayments	(6.4)	(6.7)
Translation effect	(0.4)	0.5
<b>At end of period</b>	<b>16.7</b>	<b>14.5</b>

## Cash flow

### Fourth quarter 2023

Envipco generated cash flow from operations of EUR 13.1m in Q4 23. Cash earnings of EUR 5.9m were supplemented with cash release from working capital efficiencies of EUR 7.2m as both inventories and receivables were reduced. Q4 23 cash flow from investments amounted to EUR -4.1m, consisting of capitalized R&D of EUR 0.6m and capital expenditures of EUR 3.6m, of which EUR 2.4m in RVMs for lease contracts. Cash flow from financing was EUR -3.1m in the quarter on debt repayments.

Net change in cash in Q4 23 was EUR 5.9m for a cash balance of EUR 9.9m at year-end 2023.

### FY 2023

Cash from operating activities was EUR 0.6m in 2023 vs EUR -1.8m in 2022. A positive EBITDA of EUR 8.8m in 2023 (EUR 2.3m 2022) was offset by a net working capital buildup of EUR 7.1m (EUR 1.5m 2022) related to higher activity levels. Net interest expense and tax paid amounted to EUR 1.1m in 2023 vs EUR 0.5m 2022.

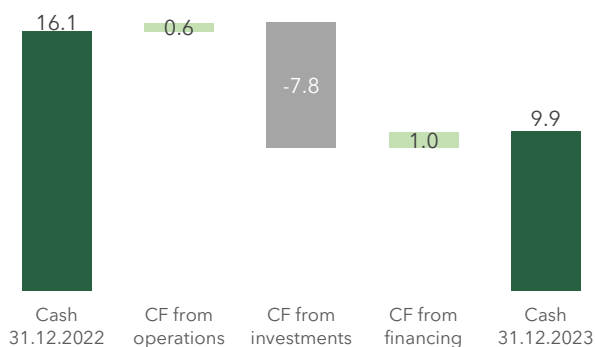
Net cash flow from investment activities was EUR -7.8m during 2023 vs EUR -8.4m in the corresponding period last year.

Investments were split between capitalized R&D, EUR 2.1m in 2023 and EUR 2.5m in 2022, and investments in property, plant and equipment, comprising IT investments and lease equipment. Investments in property, plant and equipment amounted to EUR 6.0m in 2023, flat y/y. Investments in lease and demo equipment comprised EUR 5.0m in FY 2023.

Net cash flow from financing activities amounted to EUR 1.0m in 2023, down from EUR 23.3m 2022. The company received proceeds from share issue of EUR 14.5m in 2023 and had net repayments of borrowings and lease liabilities of EUR 13.5m. In 2022 the company increased debt and lease liabilities by EUR 23.3m of which EUR 15.0m was the share lending facility.

Net change in cash in 2023 was EUR -6.2m vs an increase of EUR 13.1m in 2022.

### Cash flow FY 2023 (EUR million)





# Markets

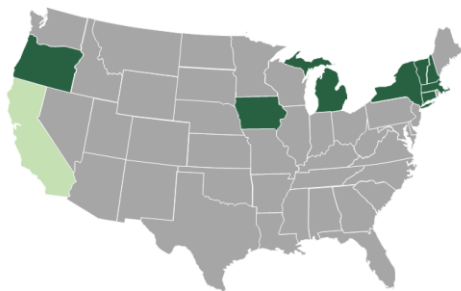
## North America & ROW

Envipco's operations in the North American market include RVM sales and lease activities, materials handling and services. The company has a production facility in Connecticut. The North America core business remains strong, profitable and stable.

Program services include materials handling, lease revenues, service income and pickup & processing fees. RVM sales includes revenue from the sales of RVMs and parts.

Envipco's program services are set to expand with the doubling of Connecticut's deposit value from January 2024.

The company is assessing incremental market opportunities in California. Envipco has developed RVM pilots in preparation for these opportunities. There are further potential new market opportunities arising from New York and Massachusetts state legislative processes. The outcome of these processes is at present unknown, but the company expects some growth in new machine sales in the medium term.



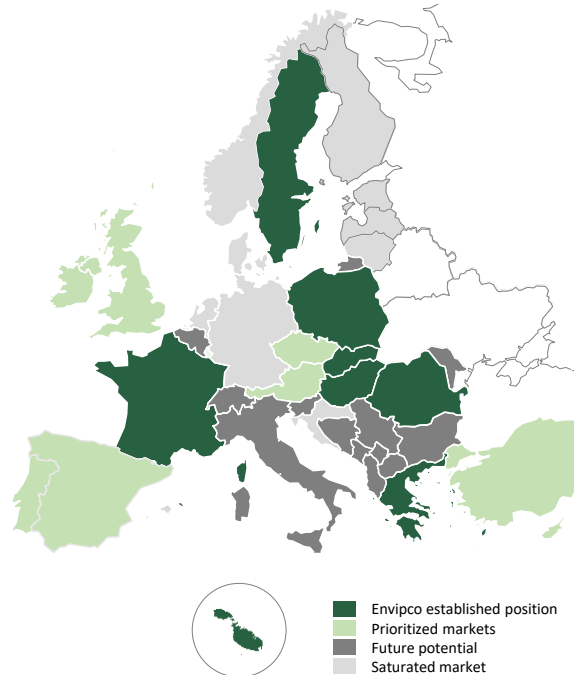
Where we are Strategic opportunities Non-DRS States

Envipco continues to see delays with our Australian partner in connection with the Victoria market rollout.

## Europe

Envipco's operations in Europe comprise mainly sales of RVMs. The company has recently invested heavily in new market development and production facilities and is showing promising growth from new markets.

**Greece:** Supporting our distribution partner, Envipco has successfully delivered over 230 recycling centres in 2023 across the country. Greece has not yet introduced a DRS (deposit return scheme). The project started late 2022 using recycling centres that are built around Envipco's innovative bulk-feed Quantum technology and offers a fast and convenient solution for operators and end users. Envipco expects this project to continue into 2024/25 with the potential for a significant number of additional centres to operate in the country over the coming years.



Envipco established position  
Prioritized markets  
Future potential  
Saturated market

**Hungary:** Envipco is fully engaged in the roll-out of RVMs to support the Hungarian DRS with MOL Hungary (MOHU). Envipco has installed over 700 RVMs at customer locations in Hungary as of year-end 2023. Envipco expects remaining portion of previously announced contracted volumes of 2,300 units to be delivered 2024-25. In addition, Envipco has won extension orders up to 2,000 units in Hungary.

**Romania:** Romania DRS went live on schedule 30 November 2023. Envipco has successfully completed installation of more than 300 units in the Romanian market. Envipco has commenced the installation of Modulas in Romania. The company is engaged in the wider general retail market through direct commercial efforts with retailers and city municipalities and expects order flow to continue during 2024.

**Ireland/UK:** Ireland DRS went live on plan 1 February 2024 with a gradual increase of containers under the deposit program through H1 2024. Sell-through of lease program with previously announced 1,000 location customer is underway and the company's technical teams fully in place.

In the UK there are no changes to the UK government announcement of its intention to

pass DRS legislation in October 2025, an event with significant sale-through opportunity with our existing Scottish retailers operating in the rest of the UK.

**Poland:** Poland targets a launch of DRS for beverage containers in 2025. Poland, with a population of nearly 38 million represents a major market opportunity with anticipated market demand of 10-20k RVMs given the currently proposed deposit mandate. The deposit return system law has passed and has been signed off by the Polish government. The process of setting up a DRS operator is underway.

Envipco is active in the Polish market, having set up a commercial team and is in the process of establishing showrooms, initiating pilots and engaging in commercial discussions with retailers.

**Other:** In Portugal, the consultation period of the final version of the law has been completed. The next steps are to finally publish the law and appoint a DRS operator. Portugal DRS is currently expected to go live in 2025.

The Czech Republic started early consultations on DRS law and Envipco has placed initial demos of its technology.

# Outlook

Envipco has previously announced an ambitious set of targets on market share and gross margin of 30% and 40% respectively and revenue growth of 4-6x 2021-levels by 2025. Envipco is well underway to deliver on these targets. 2023 revenues are 2.3x 2021 revenues, the company has secured market share above 30% in all new markets entered and has stabilized and grown gross margins.

Envipco remains committed to its targeted goals. Revenue growth outlook for the current year remains promising based on contracted and expected deliveries in current markets.

Gross margins are anticipated to show gradual improvement from manufacturing efficiencies, shipping and supply chain efficiencies towards our 40% target, but may fluctuate on a quarterly basis.

Operational expenditures have largely been driven by headcount additions to build service and sales organizations in European markets, in addition to investments in business development. Headcount growth will slow in the current year. The company continues to drive operating leverage as we execute on growth.

# Share information

The issued share capital of the Company as per 31 December 2023 amounts to EUR 2,584,519 divided into 51,690,377 shares, each having a nominal value of EUR 0.05.

The Company's authorized capital per 31 December 2023 is EUR 4,000,000 divided into 80,000,000 shares, each having a nominal value of EUR 0.05.

As per 31 December 2023 the 20 largest shareholders controlled 80% of the total number of issued shares.

The Group has been notified of or is aware of the following 3% or more interests as of 31 December 2023.

## Large shareholders as per 31 December 2023

<b>Name</b>	<b># of Shares</b>	<b>% share</b>
Undivided estate of Mr. A. Bouri deceased 26 September 2023	19 830 670	38.36 %
Gregory Garvey	7 351 980	14.22 %
Otus Capital Management	2 785 195	5.39 %
Lazard Frères Gestion	2 443 206	4.73 %
Robert Lincoln	1 722 440	3.33 %
Bhajun Gool Santchurn	1 554 800	3.01 %

## Directors' interest in the share capital of the Group as per 31 December 2023

<b>Name</b>	<b># of Shares</b>	<b>% share</b>
Undivided estate of Mr. A. Bouri deceased 26 September 2023	19 830 670	38.36%
G. Garvey	7 351 980	14.22%
E. Thorsen	262 500	0.51%
S. Bolton	112 074	0.22%
C. Crepet	70 000	0.14%

Note: Mr. M. Bouri has an entitlement to the undivided estate of Mr. A Bouri deceased 26 September 2023.



## Subsequent events

Envipco has no subsequent events since 31 December 2023.

## Transactions with related parties

During 2023 there have not been any transactions with related parties that significantly impact the group's financial position or result for the period

# Interim financial statements (IFRS)

## Consolidated Statement of Comprehensive Income\*

in EUR thousands	Note	Q4 23	Q4 22	FY 2023	FY 2022
<b>Revenues</b>		<b>35 423</b>	<b>13 356</b>	<b>87 581</b>	<b>56 373</b>
Cost of revenue		(22 842)	(9 188)	(56 964)	(37 911)
<b>Gross Profit</b>		<b>12 580</b>	<b>4 168</b>	<b>30 617</b>	<b>18 462</b>
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 /(expenses)		490	0	492	1 958
<b>Operating Results</b>		<b>4 244</b>	<b>(2 324)</b>	<b>2 735</b>	<b>(2 710)</b>
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)
<b>Results before tax</b>		<b>3 954</b>	<b>(2 244)</b>	<b>1 606</b>	<b>(3 954)</b>
Income taxes		143	275	(186)	(224)
<b>Net Results</b>		<b>4 097</b>	<b>(1 969)</b>	<b>1 421</b>	<b>(4 178)</b>
<b>Other comprehensive income</b>					
<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
<b>Total comprehensive income</b>		<b>2 962</b>	<b>(5 946)</b>	<b>339</b>	<b>(2 553)</b>
<b>Profit attributable to:</b>					
Owners of the parent		4 094	(1 967)	1 418	(4 182)
Non-controlling interests		3	(2)	3	4
<b>Total Profit/(loss) for the period</b>		<b>4 097</b>	<b>(1 969)</b>	<b>1 421</b>	<b>(4 178)</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the parent		2 960	(5 944)	337	(2 556)
Non-controlling interests		<b>3</b>	(2)	3	4
<b>Total comprehensive income</b>		<b>2 962</b>	<b>(5 946)</b>	<b>339</b>	<b>(2 553)</b>
Number of weighted average (exclude treasury shares) shares used for calculations of EPS		51 690	46 051	51 690	46 051
Earnings/(loss) per share for profit attributable to the ordinary equity holders of the parent during the period					
- Basic (euro)		0.08	(0.04)	0.03	(0.09)

\* Unaudited figures.

## Consolidated Balance Sheet\*

in EUR thousands	Note	31.12.23	30.09.23	31.12.22
<b>Assets</b>				
<b>Non-current assets</b>				
Intangible assets		9 240	9 380	8 595
Property, plant and equipment		17 503	15 589	14 175
Financial assets		1 499	222	830
Deferred tax assets		2 338	1 986	2 081
Restricted cash		-	-	-
<b>Total non-current assets</b>		<b>30 580</b>	<b>27 176</b>	<b>25 681</b>
<b>Current assets</b>				
Inventory		32 190	32 876	24 114
Trade and other receivables		23 654	25 538	12 633
Cash and cash equivalents		9 890	4 008	16 121
Restricted cash		-	-	340
<b>Total current assets</b>		<b>65 733</b>	<b>62 422</b>	<b>53 208</b>
<b>Total assets</b>		<b>96 314</b>	<b>89 598</b>	<b>78 889</b>
<b>Equity</b>				
Share capital		2 585	2 585	2 303
Share premium		71 022	70 919	56 939
Translation reserves		4 510	5 644	5 591
Legal reserves		7 725	7 827	7 575
Retained earnings		(43 092)	(47 187)	(44 511)
<b>Equity attributable to owners of the parent</b>		<b>42 748</b>	<b>39 788</b>	<b>27 897</b>
Non-controlling interests		45	44	43
<b>Total equity</b>		<b>42 794</b>	<b>39 831</b>	<b>27 940</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Borrowings		9 312	16 544	10 930
Lease liabilities		2 535	2 313	1 233
Other liabilities		121	120	120
Deferred tax liability		50	-	50
<b>Total non-current liabilities</b>		<b>12 018</b>	<b>18 977</b>	<b>12 333</b>
<b>Current liabilities</b>				
Borrowings		7 363	3 537	3 620
Trade creditors		15 850	13 217	10 055
Share lending liability		-	-	15 000
Accrued expenses		10 802	9 024	7 458
Provisions		1 952	1 009	680
Lease liabilities		1 059	1 080	620
Tax and social security		4 478	2 922	1 182
<b>Total current liabilities</b>		<b>41 502</b>	<b>30 789</b>	<b>38 616</b>
<b>Total liabilities</b>		<b>53 520</b>	<b>49 767</b>	<b>50 949</b>
<b>Total equity and liabilities</b>		<b>96 314</b>	<b>89 598</b>	<b>78 889</b>

\* Unaudited figures.

## Consolidated Cash Flow Statement\*

in EUR thousands	Note	Q4 2023	Q4 2022	FY 2023	FY 2022
<b>Cashflow from operating activities</b>					
Operating results		4 244	(2 324)	2 735	(2 710)
Adjustment for:					
Depreciation & Amortization		1 646	1 254	6 034	4 969
PPP loan forgiveness		-	-	-	(1 948)
Changes in:					
Changes in trade and other receivables		(125)	2 174	(12 268)	807
Changes in inventories		294	(13)	(8 734)	(8 424)
Changes in provisions		956	470	1 283	499
Changes in trade and other payables		6 312	2 282	12 644	5 572
<b>Cash generated from operations</b>		<b>13 327</b>	<b>3 843</b>	<b>1 693</b>	<b>(1 236)</b>
Interest received and paid		(162)	103	(775)	(249)
Income taxes paid		(38)	220	(366)	(278)
<b>Net cash flow from operating activities</b>		<b>13 127</b>	<b>4 166</b>	<b>552</b>	<b>(1 763)</b>
<b>Investing activities</b>					
Development expenditure, patents		(557)	(1 306)	(2 112)	(2 462)
Investments in property, plant & equipment		(3 930)	(3 855)	(6 014)	(5 944)
Restricted cash (non-current)		340	-	340	-
<b>Net cash flow used in investing activities</b>		<b>(4 146)</b>	<b>(5 161)</b>	<b>(7 786)</b>	<b>(8 406)</b>
<b>Financial activities</b>					
Proceeds of share issue		-	-	14 514	-
Proceeds share lending		-	15 000	(15 000)	15 000
Changes in borrowings - proceeds		-	4 639	9 000	13 696
Changes in borrowings - repayments		(2 899)	(3 034)	(6 440)	(4 779)
Changes in lease liabilities		(230)	(134)	(1 088)	(648)
<b>Net cash flow from financing activities</b>		<b>(3 129)</b>	<b>16 472</b>	<b>986</b>	<b>23 269</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>5 852</b>	<b>15 476</b>	<b>(6 249)</b>	<b>13 101</b>
Opening position		4 008	699	16 121	3 061
Foreign currency differences on cash and cash equivalents		30	(54)	17	(41)
Closing position		9 890	16 121	9 890	16 121
<b>The closing position consists of:</b>					
Cash and cash equivalents		9 890	16 121	9 890	16 121
<b>Total closing balance in cash and cash equivalents</b>		<b>9 890</b>	<b>16 121</b>	<b>9 890</b>	<b>16 121</b>

\* Unaudited figures



## 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
<b>Opening Balance at 1 January 2023</b>	<b>2 303</b>	<b>56 939</b>	<b>5 591</b>	<b>7 575</b>	<b>(44 511)</b>	<b>27 897</b>	<b>43</b>	<b>27 940</b>
Net profit/(loss) for the period	-	-	-	-	1 418	1 418	3	1 421
Other comprehensive income						-		-
- Currency translation	-		(1 082)	-		(1 082)	-	(1 082)
<b>Total comprehensive income for the period ended 31 December 2023</b>	<b>-</b>	<b>-</b>	<b>(1 082)</b>	<b>-</b>	<b>1 418</b>	<b>337</b>	<b>3</b>	<b>339</b>
Share issue	282	14 232	-	-	-	14 514	-	14 514
Legal reserve	-	(150)	-	150	-	-		-
<b>Balance at 31 December 2023</b>	<b>2 585</b>	<b>71 022</b>	<b>4 510</b>	<b>7 725</b>	<b>(43 092)</b>	<b>42 748</b>	<b>45</b>	<b>42 794</b>

\* Unaudited figures

# 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 2023 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 2022, which have been prepared in accordance with IFRS 16 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 2022.

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 2023. Consequently, any impairment losses will only be recognised in the audited annual financial statements over the fiscal year 2023.

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 <mailto:investorrelations@envipco.com>

[www.envipco.com](http://www.envipco.com)