

Consolidated Statement of Comprehensive Income in EUR thousands	Unaudited HY 2019	Unaudited HY 2018
Operating revenues	17,420	15,429
Cost of revenue	(10,062)	(8,555)
Leasing depreciation	(1,078)	(985)
Gross profit	6,280	5,889
Operating expenses	(7,167)	(5,734)
Other income/(expenses)		
- Miscellaneous income/(expenses)	7	626
Operating Results	(880)	781
Net financial items	(95)	(170)
Results before tax	(975)	611
Income taxes	(53)	(26)
Net Results	(1,028)	585
Other comprehensive income		
Items that will be reclassified subsequently to profit and loss		
Exchange differences on translating foreign operations	154	428
Other movements/minority-	-	(1)
Total other comprehensive income	154	427
Total comprehensive income	(874)	1,012
Profit/(loss) attributable to:		
Owners of the parent	(1,027)	583
Non-controlling interests	(1)	2
Total profit/(loss) for the period	(1,028)	585
Total comprehensive income attributable:		
Owners of the parent	(874)	1,010
Non-controlling interests	-	2
Total comprehensive income for the period	(874)	1,012
EBITDA (earnings before interest, taxes, depreciation and amortisation)	907	2,239
Earnings/(loss) per share (EPS)	(0.25)	0.15
Number of weighted average shares used in calculation of EPS (in thousands) (excluding treasury shares)	4,098	3,838
Consolidated Balance Sheet in EUR thousands	Unaudited As of 30/6/19	Unaudited As of 30/6/18
Assets		
Fixed assets and investments	18,116	17,889
Cash and cash equivalents	1,340	2,351
Other current assets	20,695	18,806
Total assets	40,151	39,046
Equity & Liabilities		
Shareholders' equity	25,098	21,614
Non-controlling interest	27	23
Long term liabilities	2,516	3,782
Current liabilities	12,510	13,627
Total Equity & Liabilities	40,151	39,046

2019 Half Year Highlights – Consolidated Results:

- Revenues for the first six months of 2019 increased 12.9% to €17.42m from €15.43m in 2018. The North American business growth of 7.0% for the first six months of 2019 compared to the first six months of 2018 was attributable to positive USD to EUR currency rate adjustment in 2019 over 2018. The European business experienced strong growth of 112.0% for the six months of 2019 compared to 2018.
- Gross profit for the first half of 2019 increased to €6.28m from €5.89m for the first half of 2018. After adjustment for the favorable USD to EUR currency rate; the gross profit was flat for the HY 2019 compared to the HY 2018.
- Gross profit margin was 36.1% for the first six months of 2019 compared to 38.2% for the first six months of 2018. The gross margin was negatively impacted by our North American operations on lower container throughputs and lower manufacturing overhead absorption. We expect both of these factors to improve for the remainder of 2019 with a resultant improvement in gross margin.
- Operating profit/(loss) for the first half of 2019 was a loss of (€0.87m) compared to a profit of €0.78m for the first half of 2018. The 2018 first half results were favourably impacted by a one-time legal settlement of €0.62m; while the 2019 first half results are unfavourably impacted by Deposit Return Scheme (DRS) new market development expenses of €0.46m and by increased IP litigation costs of €0.26m over 2018.
- EBITDA decreased to €0.91m for the first half of 2019 compared to €2.24m for the first half of 2018. After adjusting the 2018 first half results for the one-time legal settlement and after allowing for the 2019 DRS new market development cost and the increased IP litigation; the first half of 2019 EBITDA results and the 2018 EBITDA results are the same at €1.62m.
- The Company generated a negative €0.22m cash from its operating activities for the first six months of 2019 versus €3.21m for the same period in 2018 due to higher working capital needs in 2019. The Company has adequate facilities to fund its future requirements.
- Shareholders' equity at 30/06/2019 decreased by €0.87m from year end 31/12/2018 based on the half year 2019 net loss offset by a positive translation reserve impact of €0.16m for the half year.
- The Company is continuing its preparation for the Scottish DRS legislation which is expected to go live in the first half of 2021. Our UK and Scottish management team is engaged in multiple discussions with virtually all major retailers. The Company recently concluded a highly successful trial with the Scottish Grocers Federation (SGF) and three of their member stores which showcased our ultra-compact Flex platform. The Company currently has two new Reverse Vending Machine (RVM) trials underway with market leading retailers. Envipco's management team based out of our Edinburgh showroom is well positioned to succeed in this important market.
- The Company substantially increased its IP litigation costs in the first half of 2019 due to preparations and court proceedings. As previously reported in our Q1 2019 results, we received an unfavorable ruling on our patent. We have since reviewed the German courts report and have now filed an appeal of the court decision.

Gool Santchurn, CEO of the Envipco Group: "I am positive for the full year 2019 as the Company expects renewed momentum in our North American business and we also expect continued positive European performance driven by Sweden and Greece. I am especially pleased with the development of our UK and Scottish organisation and the progress they are making on the ground in this exciting new DRS market."

Please refer to our website www.envipco.com to download a full pdf version of our 2019 Half Year Report.

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About Envipco Holding N.V.

Envipco Holding N.V. (Envipco), www.envipco.com, is a Netherlands-based holding company listed on Euronext Amsterdam and Brussels (Symbol: ENVI). 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.