

Highlights

	2Q 2021	2Q 2020	HY 2021	HY 2020	FY 2020
in EUR millions					
Revenues	8.21	5.84	16.56	13.64	30.82
Gross Profit	3.01	1.83	6.12	4.58	11.68
Gross profit %	37%	31%	37%	34%	38%
Operating profit/(loss)	(0.18)	(1.26)	2.54	(2.56)	(1.40)
Net profit/(loss) after taxes after minority	(0.10)	(1.37)	1.93	(3.01)	(1.72)
EBITDA*	0.93	(0.20)	4.31	(0.63)	3.55
Earnings/(loss) per share in €	(0.00)	(0.03)	0.04	(0.07)	(0.04)
Shareholders' equity	30.86	21.96	30.86	21.96	20.96

*EBITDA : Earnings before interest, taxes, depreciation and amortisation

2021 Second Quarter - Consolidated Results:

- Revenues increased 41% to €8.21m for Q2 2021 from €5.84m for Q2 2020. Currency adjusted for USD/EURO, growth was 51% driven by recovery of container throughput volumes in our North America business from a COVID impacted Q2 2020. European revenues increased by 15% on higher machine sales and service income.
- Gross profit improvement to 37% from 31% in Q2 2020, driven by higher container volume.
- EBITDA in Q2 2021 over Q2 2020 improved substantially to €0.93m (11.3% of Revenues) from a negative €(0.20m), driven by higher gross profits, controlled operating expenses and including favorable €0.22m other income from an insurance settlement.
- Share split of 1:10 executed per end of June.

2021 Half Year – Consolidated Results:

- Revenues for 1HY 2021 increased by 21% to €16.56m. Currency adjusted for USD/EURO, revenue growth was 31%
- Gross profit improvement to 37% from 34% in 1HY 2021, driven by higher container volume.
- H1 2021 includes other income of €3.59m relating to IP litigation settlement, PPP loan forgiveness and an insurance settlement.
- EBITDA improved in 1HY 2021 to €4.31m from a negative EBITDA of € (0.63m) in 1HY 2020. Excluding the other income items of €3.59m in 1HY 2021, EBITDA would have improved to €0.72m when compared to 1HY 2020
- Share issue of €8.12m and listing on Oslo Euronext Growth market.
- Second PPP loan of €1.64m received in March 2021; loan also eligible for forgiveness in late 2021/early 2022.

“Q2 2021 clearly shows the Company’s recovery and growth versus Covid affected Q2 2020. With the growing opportunities in the European markets, next to those in the US, we are aggressively building out our commercial organization, including expansion of production capacities in Romania and Germany. We remain very positive about the future.” **Simon Bolton, CEO**

Financial Position:

- The Company generated €5.50m cash flow from its operating activities for 1HY 2021 versus a negative €(2.59m) for 1HY 2020. The Company had cash and cash equivalents of €10.21m at 30/06/2021 compared to €1.71m at 30/06/2020.
- The Company's net bank repayment was €1.62m for 1HY 2021 compared with a net borrowing of €5.59m on 1HY 2020. The Company received a second PPP loan during Q1 2021 of €1.64m which should also be eligible for forgiveness. The Company had unused borrowing facilities of €2.53m at 30/06/2021.
- Shareholders' equity at 30/06/2021 increased by €9.90m from 31/12/2020 based on the 1HY 2021 net profit, translation reserve and net proceeds from the new share issue completed in Q1 2021.

Other Highlights Q2:

- The Company continues to build for the future, focusing on new market development in Europe and expanding our manufacturing capabilities. Key developments this quarter include:
 - Scotland/UK/Republic of Ireland – we continue to make strong efforts in these markets. In Scotland, no official conclusion of the cross-party review has been announced regarding any potential delay. Retailers are continuing to execute RFI/RFP processes which are on-going and which we are fully engaged in. This is expected to result in further large-scale tests in Q3. In the wider UK, discussions and engagement are on-going with the industry, government and all stakeholders. In the Republic of Ireland, DRS is a focus and we are engaged, led and supported by our experienced UK team.
 - Romania – we are very active in this important market and have implemented now several municipal solutions which were presented during the 'Smart Village' showcase in June and widely communicated through national media and television. Several further retail pilots are now operational, and we expect a positive conclusion concerning the DRS law over the next months. In terms of building our footprint in the country we have secured new facilities and will be opening our expanded European Manufacturing plant in Romania in 2022.
 - Germany – the company is also reviewing plans to expand production at its German plant for Quantum product.
 - Portugal – We continue to execute on very positive pilots, demonstrations, and discussions with stakeholders in Portugal. Recently the business has added a dedicated local Business Development Manager in the country to accelerate our progress in this exciting market and start the process with RFI/RFP that are commencing.
 - Other Europe – We are building the organization to cover the emerging European opportunities and have opened Central European regional team based in Bratislava. We are active with several interesting opportunities in Southern Europe/Mediterranean.
- In addition to Europe, North America is experiencing new business opportunities tied to positive legislation developments. Legislation modernizing the Connecticut Bottle Bill was passed, which included increased handling fees, increased deposit values and added retail requirements to install RVMs.
- The General Meeting of Shareholders was held 23, June 2021 at the company's office in Amersfoort. The GMS agenda proposed changes to the Board of Directors and a 1:10 share split, which were approved and have been subsequently implemented.

Outlook

We expect North America container throughput business to perform to at least 95% of the pre-COVID levels during the second half 2021. Our RVM machine sales are expected to perform particularly well in the second half of 2021 based on confirmed orders. The company has seen considerable pick up in legislative activity in both establishing new deposit markets and strengthening existing deposit legislation. As we move into 2022 we expect the North American business to enter a new growth mode which the company is well positioned to take benefit of.

Outlook for Europe in 2021 includes continued strong performance for our Swedish business along with orders in support of launch of the Scottish DRS. We also expect revenue potential from a number of our expanding business development markets in addition to our existing non-deposit markets.

We are confident in our strategy, our investments and our ability to execute in delivering strong growth and financial performance in the future. We have adequate financial resources to execute on our growth and development plans.

Please refer to our website www.envipco.com to download a full pdf version of our 2021 Second Quarter Report.

For further information please contact:

Derk Visser, Group CFO Envipco Holding N.V.
Telephone: +31 33 2851773

ENVIPCO HOLDING N.V.
Board of Directors
Van Asch van Wijckstraat 4
3811 LP Amersfoort
The Netherlands

Amersfoort, August 26th, 2021
+31 33 285 1773

www.envipco.com

About Envipco Holding N.V.

Envipco Holding N.V. (Envipco), 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.