



# Envipco Holding N.V.

Interim Financial Report | Third Quarter 2024

# 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 excellence in the market, Envipco offers compelling competitive products and solutions in our chosen markets.

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## 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

## LTM revenue Q3 24

### EUR 116.9 million

YoY growth of 78%

## Organizational capacity

### 417 employees

globally, an organization well positioned to drive ambitious growth plans



## Q3 24 Highlights - Continued growth in existing markets

- Group revenues +9% y/y to EUR 27.4m
- Strong sales delivery in Romania coupled with solid contributions from Hungary and Greece drive Europe revenues of EUR 18.3m, +9% y/y
- North American revenues of EUR 9.1m with 8% y/y increase in both RVM sales and program service revenues
- Gross margin 36.6% with gross profit at EUR 10.0m, +14% y/y
- EBITDA EUR 1.7m for a margin of 6.4%, EBITDA of EUR 2.9m for a margin of 10.5% adjusted for non-recurring items of EUR 1.1m
- Closed Sensibin acquisition with EUR 1.5m payment at closing

## YTD 24 Highlights - Europe revenues doubled

- Group revenues +56% y/y to EUR 81.5m
- Europe revenues +101% y/y to EUR 55.5m, driven by strong advances in Hungary and Romania and the addition of revenues from Ireland
- Gross margin 35.7% with gross profit at EUR 29.1m, +61% y/y
- EBITDA EUR 7.3m for a margin of 9.0%, EBITDA of EUR 8.5m for a margin of 10.4% adjusted for non-recurring costs in Q3 24

## Key figures\*

in EUR millions	Q3 24	Q3 23	YTD 24	YTD 23
<b>Revenues</b>	<b>27.4</b>	<b>25.3</b>	<b>81.5</b>	<b>52.2</b>
- Europe	18.3	16.9	55.5	27.6
- North America	9.3	8.4	25.9	24.6
<b>Gross Profit</b>	<b>10.0</b>	<b>8.8</b>	<b>29.1</b>	<b>18.0</b>
Gross profit %	36.6%	34.9%	35.7%	34.6%
Operating expenses**	10.0	7.2	27.2	19.5
<b>OPERATING PROFIT</b>	<b>0.1</b>	<b>2.2</b>	<b>2.0</b>	<b>-1.5</b>
Net profit/(loss) after taxes after minority	(0.5)	(1.8)	(0.8)	(2.7)
<b>EBITDA</b>	<b>1.7</b>	<b>3.8</b>	<b>7.3</b>	<b>2.9</b>
EBITDA adjusted**	2.9	3.8	8.5	2.9
Earnings/(loss) per share in €	(0.01)	0.03	(0.01)	(0.05)

\* Unaudited figures. \*\*Q3 24 operating expenses include non-recurring items of EUR 1.1m.

## CEO comment

Q3 24 was a quarter of continued growth in our existing markets, solid operational execution and improved working capital management. We continue to make investments to expand our existing market positions, to enter new greenfield deposit return scheme (DRS) markets and develop brownfield market opportunities. Every day our team exemplifies the agile, hands-on and flexible approach that is an important factor in our product and service offering.

Group revenues increased 9% y/y with Hungary and especially Romania being strong growth drivers. We increased gross margins to 36.6%, and generated EBITDA adjusted for non-recurring items of EUR 2.9m. Improved working capital management drove positive cash flows from operations.

We are building for the future and to secure market share in line with our stated targets. We expect our recent acquisition of Sensibin, which closed this quarter, to support these market share goals. We continue to invest in our organization, in new markets and systems to support our growth ambitions. While impacting short term profitability, we see these investments as imperative for our future success.

Envipco remains committed to its ambition of long-term growth. I am very excited about our prospects. Portugal, Poland and UK are planning DRS rollouts in the next 2-3 years. Alone these markets could grow the global installed base of RVMs by some 50%. We are likely to experience a wave of new DRSs across Europe as countries work to meet the obligations of the EU packaging and packaging waste regulation (PPWR), anticipated to enter into force in the next quarters. The PPWR could nearly triple the addressable market for RVMs. Envipco is ready to act on this opportunity pipeline.

**- CEO, Simon Bolton**



# Financials

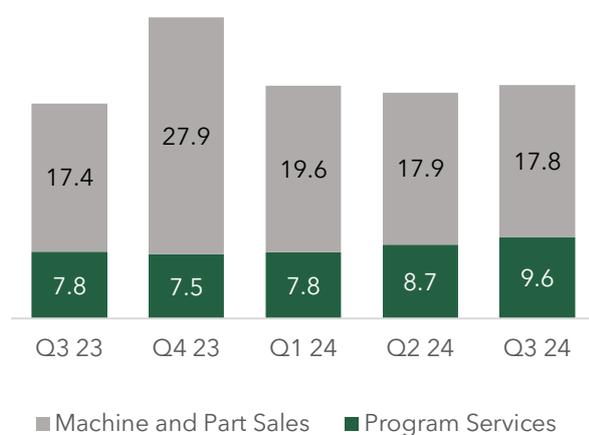
**In Q3 24 Envipco generated revenues of EUR 27.4m. This represents a y/y growth of 9%. YTD 24 group revenues were EUR 81.5m for an increase of 56% y/y. Q3 24 gross margin increased further to 36.6%. EBITDA was EUR 1.7m in Q3 24, but EUR 2.9m adjusted for one-off items. YTD EBITDA was EUR 7.3m with adjusted EBITDA at EUR 8.5m. Envipco exited the quarter with EUR 28.7m in cash, up EUR 4.3m from EUR 24.4m in Q2 24 on improved working capital efficiency.**

## Profit and loss

### Third quarter 2024

Envipco continued to grow in existing markets in Q3 24. Group revenues were EUR 27.4m in the quarter, +9% y/y from revenues of EUR 25.3m in Q3 23.

#### Revenue categories (EUR million)

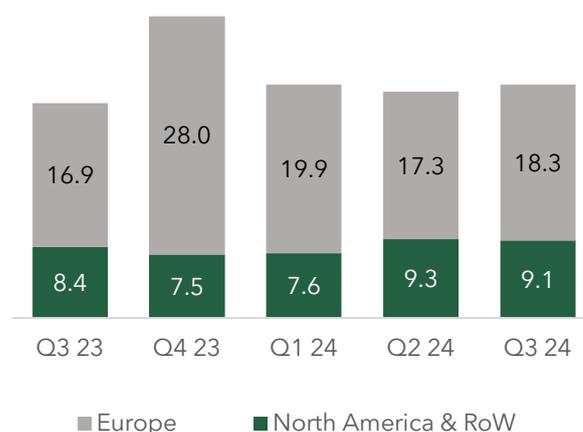


Note: Recurring program services include service revenue and leasing.

On a product line basis Program services were up 23% y/y to EUR 9.6m on increase in European service revenues. Program services encompass leasing, service revenues and throughput revenues. RVM sales increased 2% y/y to EUR 17.8m with advances in both the North American and European markets. RVM sales comprised 65% of group revenues with Program services at 35%.

Growth in European revenues in Q3 24 was driven by existing markets, primarily Romania, Hungary and Greece. Revenues in Europe were 18.3m in Q3 24, a growth of 9% compared to EUR 16.9m in Q3 23 revenues. Europe comprised 67% of group revenues in the quarter, flat y/y.

#### Market revenue split (EUR million)



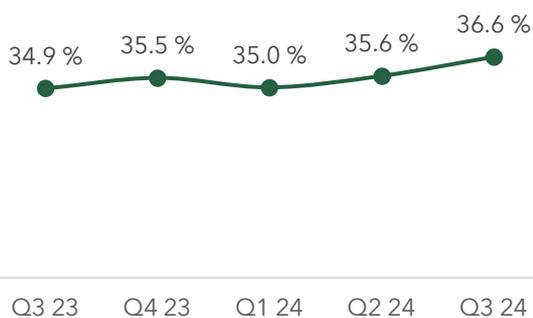
Romania was Envipco's largest revenue contributor in Europe in Q3 24, posting the strongest y/y growth in the group with strong sales performance both on deliveries to large retail chains and solid sales performance in regional deployments to smaller retail stores and chains. Hungary continues to be an important market for Envipco with solid y/y advances also in Q3 24, and Greece posted sequential sales gains on further Quantum

deployments. Envipco has an installed base of more than 400 Quantums across Greece and continues to develop the Greek market together with its partner.

Europe RVM sales were EUR 16.9m with Program services amounting to EUR 1.4m in Q3 24. Program services increased by 427% y/y with RVM sales up 2%. The majority of European revenue will remain new RVM sales as the company generates limited service revenues during DRS startup and warranty periods. As the installed base expands and is established European Program service revenues will grow.

North American revenues were EUR 9.1m in Q3 24 for a y/y growth of 8% from EUR 8.4m in Q3 23. Both Program services and RVM sales posted y/y growth of 8% with Q3 24 revenues of EUR 8.2m and EUR 0.9m, respectively. The deposit increase in Connecticut from January 2024 continues to demonstrate positive effects on collection volumes.

### Gross margin (%)

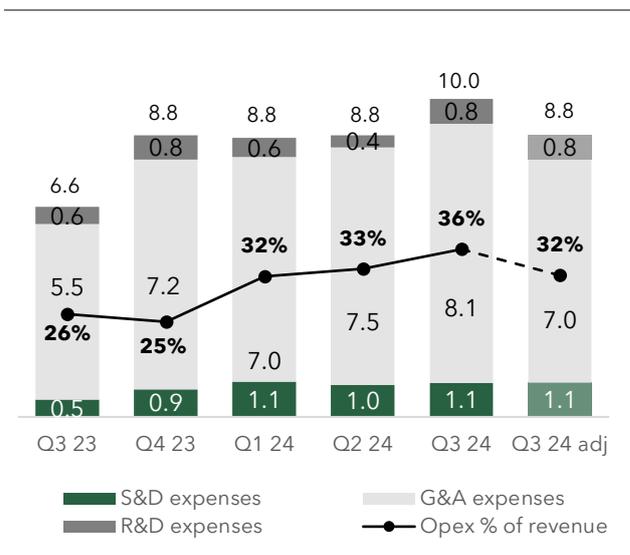


Gross margin was 36.6% in Q3 24 on cost improvements in the supply chain, and the gross profit of EUR 10.0m was up 14% y/y. Gross margin increased from 34.9% in Q3 23.

Operating costs amounted to EUR 10.0m in Q3 24, +51% y/y from EUR 6.6m in Q3 23. Operating costs as percentage of revenue were 36% in Q3 24 compared to 26% in Q3 23.

Operating costs in Q3 24 contain non-recurring items of EUR 1.1m related to the Sensibin acquisition, costs related to uplisting to the main list on Euronext Oslo Børs and extended audit and severance payments costs. Adjusted for these one-off items underlying operating costs were EUR 8.8m in Q3 24 (+34% y/y), representing 32% of group revenues. Adjusted opex of EUR 8.8m were flat with operating costs in the preceding quarters.

### Operating costs (EUR million)



Q3 24 EBITDA was EUR 1.7m. This compares to an EBITDA of EUR 3.8m in Q3 23. EBITDA margin was 6.4% in Q3 24 vs an EBITDA margin of 15.2% in Q2 23.

EBITDA adjusted for non-recurring items was EUR 2.9m in Q3 24 for an EBITDA margin of 10.5%. Operating profit was EUR 0.1m in Q3 24 and EUR 1.2m adjusted for non-recurring items. In Q3 23 operating profit was EUR 2.2m.

Q3 24 net finance costs amounted to EUR 0.1m. Net finance costs include unrealized FX gains of EUR 0.4m. The pretax loss in the quarter was EUR 0.1m compared to a pretax profit in the year-earlier period of EUR 1.8m. Net loss in Q3 24 was EUR 0.5m compared to a net income of EUR 1.7m in Q3 23.

## YTD 2024

Envipco generated group revenues of EUR 81.5m YTD 2024, up 56% y/y from EUR 52.2m in YTD 2023 revenues. Europe revenues were up 101% y/y to EUR 55.5m YTD 2024. Key drivers behind the growth were strong RVM sales in Europe with Hungary, Romania and Ireland as the strongest contributors. Greece also posted growth YTD, while revenues in Sweden, Scotland and Malta declined compared to the year-earlier period. North American revenues were up 5% y/y YTD 2024 to EUR 25.9m on 6% y/y growth in Program services to EUR 23.0m and flat RVM sales of EUR 2.9m.

Group gross margin was 35.7% YTD 2024, up from 34.6% YTD 2023. Gross profit was up 61% y/y to EUR 29.1m YTD 2024 from EUR 18.0m YTD 2023.

The company generated EBITDA of EUR 7.3m YTD 2024. This compares to EBITDA of EUR 2.9m YTD 2023. EBITDA margin YTD 2024 was 9.0% compared to 5.5% in the year-earlier period. Adjusted for EUR 1.1m non-recurring costs, YTD EBITDA 2024 was EUR 8.5m. The corresponding adjusted EBITDA margin was 10.4% YTD 2024.

Operating earnings YTD 2024 were EUR 1.8m, compared to an operating loss of EUR 1.5m YTD 2023. Net financial expenses were EUR 1.4m YTD 2024 resulting in pretax earnings of EUR 0.4m. YTD 2023 net financial items were EUR -0.8m with a pretax loss of EUR 2.3m. Net loss YTD 2024 was EUR 0.9m, an improvement from a net loss of EUR 2.7m YTD 2023.

## Balance sheet

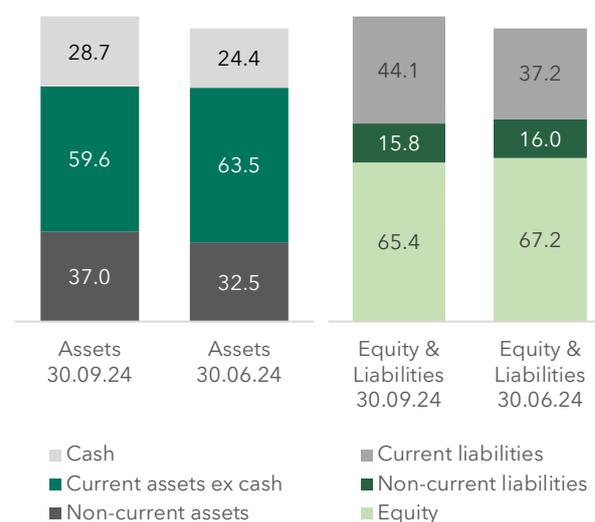
At the end of Q3 24 Envipco had total assets of EUR 125.3m, up from EUR 120.4m at the end of Q2 24.

Total non-current assets were EUR 37.0m at Q3 24. This marks an increase from EUR 32.5m at Q2 24. Non-current assets are largely made up of EUR 17.7m property, plant and equipment (PPE) and EUR 15.1m intangible assets from activated development expenses and EUR 6.6m identified intangibles from the acquisition of Sensibin.

Total current assets were EUR 88.3m at the end of Q3 24, slightly up from EUR 87.9m in Q2 24. Inventories were down EUR 4.4m to EUR 32.9m from 37.3m at the end of Q2 24. Trade receivables increased 0.5m from Q2 24 to EUR 26.7m.

Cash balances ended at EUR 28.7m at Q3 24. In Q2 24 cash balances were EUR 24.4m.

### Financial position (EUR million)



Total equity was EUR 65.4m at Q3 24 from EUR 67.2m at Q2 24. Equity ratio at end Q3 24 was 52% vs 56% at Q2 24.

Non-current liabilities were EUR 15.8m at Q3 24 from EUR 16.0m at Q2 24. Other liabilities increased from EUR 0.8m in Q2 24 to EUR

6.2m in Q3 24, driven by EUR 6.2m liability for projected performance payments under the Sensibin acquisition.

Current liabilities were EUR 44.1m at Q3 24, up from EUR 37.2m at Q2 24. Trade creditors were EUR 17.0m at the end of Q3 24, up from EUR 15.2m at Q2 24. Accrued expenses amounted to EUR 8.8m at the end of Q3 24, down from EUR 8.5m at Q1 24. Lease liabilities were down from EUR 1.7m at the end of Q2 24 to EUR 0.9m at the end of Q3 24.

Envipco had total borrowings of EUR 19.9m at Q3 24, compared to total borrowings of EUR

9.2m at Q2 24. Short-term borrowings were EUR 13.1m at Q3 24, up EUR 5.7m from EUR 7.4m in Q2 24. The increase is explained by increase in borrowing under the Romanian line of credit facility and reclassing of US debt. Long-term borrowings were EUR 6.8m at Q3 24. This is a reduction of EUR 5.0m on repayments and reclassing of US debt. Long-term borrowings were EUR 11.8m at the end of Q2 24.

*\* Unaudited figures.*

## Cash flow

### YTD 2024

Cash flow from operating activities YTD 2024 was negative EUR 4.5m. Cash earnings of EUR 3.7m were offset by a EUR 6.5m working capital build on lower payables and higher trade receivables. Interest and taxes paid amount to EUR 1.7m YTD 2024.

Cash flow from investing activities was EUR -6.3m YTD 2024. Capitalized R&D amounted to EUR 0.9m in the period, with capital expenditures at EUR 3.9m, largely driven by investment in RVMs for lease contracts and demo/pilot RVMs in new markets. Investment in Sensibin net of cash acquired was EUR 1.5m.

Cash flow from financing was EUR 27.0m YTD 2024. Change in equity was EUR 24.7m from the private placement in March while debt was up by EUR 3.3m, largely explained by increased utilization of the line of credit facility

in Romania. Lease liabilities decreased by 1.0m in the period.

Net change in cash YTD 2024 was EUR 16.3m for a cash balance of EUR 28.7m at the end of Q3 24.



*\* Unaudited figures.*

# Markets

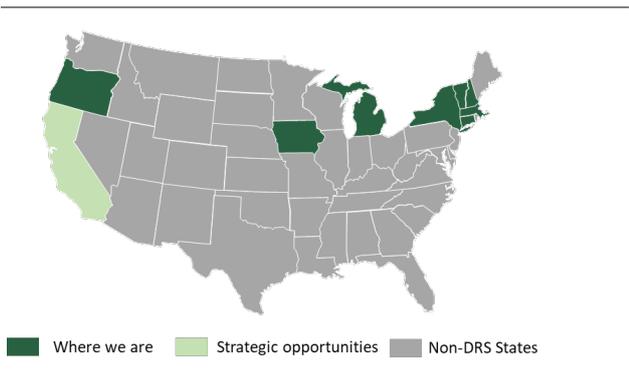
## North America

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.

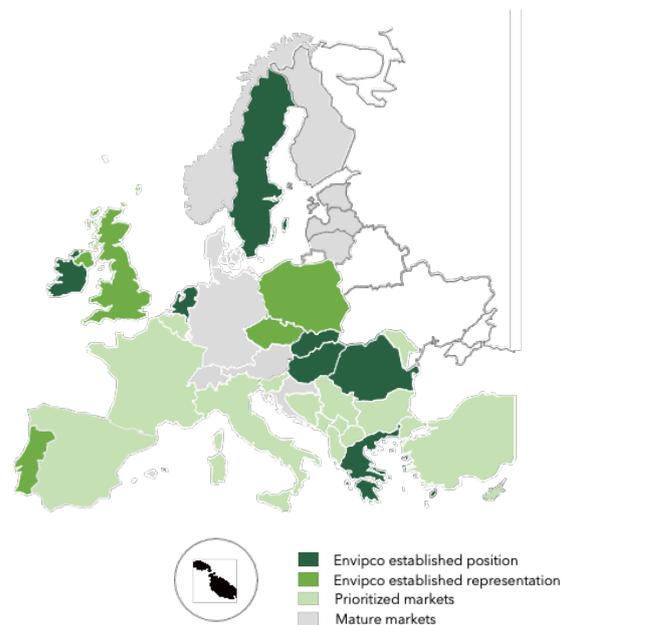
Envipco is assessing further market opportunities in California as the state's DRS regulation is set to be upgraded. Preparing for these opportunities, Envipco has developed and installed a pilot, and the company remains active in business development.

In January, the state of Connecticut introduced new regulations, doubling deposit value from USD 0.05 to USD 0.10. The new regulation has contributed to increased redemption volumes in the state.



## Europe

Envipco's operations in Europe comprise sales and service of RVMs. The company has recently invested heavily in new market development and production facilities and is showing promising growth in new markets. The European business has turned profitable after a period of initial investments and sales growth. Service revenues are limited during DRS startup and warranty periods. However, service revenue streams are expected to build as the company's installed base increases and warranty periods are consumed. The company has production facilities for stand-alone RVMs Flex and Optima in Romania, and production facilities for large-scale Modula and Quantum systems in Germany.



Romania launched its DRS in November 2023 and has achieved strong results with 80% return rate in its 10<sup>th</sup> month of operation. Envipco's operations in Romania are showing good progress. In Q3 24 Romania was the company's strongest growth driver and the company's highest revenue generating market in Europe. Growth is driven by both widespread deployments into smaller, independent retailers across the nation, in addition to deliveries on contracts with major retailers. Romania installations include a wide variety of RVMs. Romania was also Envipco's second largest market for Quantum installations in the quarter.



The company's activity in Hungary gradually increased through Q3 24 following the full implementation of DRS in July 2024. Hungary continues to be a major market for Envipco.

Greece remains an important market for Envipco. Revenues increased sequentially in the quarter and are up YTD 2024.

Envipco is experiencing strong activity in Portugal. The DRS operator has been appointed; SDR Portugal. There has been no official announcement yet, but the start date for national DRS in Portugal is currently anticipated to be January 2026. Envipco has been present in Portugal in the last few years and is actively targeting business development opportunities to build a strong market position.

Poland is preparing to introduce DRS. The government has recently announced a delay

of the go-live to no earlier than 1 October 2025. Envipco continues to experience good business development activity in the Polish market and is actively pursuing market opportunities. The company is expanding its team and investing in both demo and pilot RVMs. Several anticipated DRS operators are seeking to operate, of which four have received licenses to date.



The Netherlands expanded its DRS to include aluminum cans in April 2023, driving a sharp increase in volumes of returned beverage containers and a call out for more collection points. Envipco installed its first Quantum bulk feed solution in the Netherlands in Q2 24 and its second Quantum in Q3 24. The Quantum collection points have received widespread media coverage and are generated strong collection statistics reaching more than 12,000 collected containers per day on average. Envipco has secured delivery of another two Quantums in the Netherlands in Q4 24 and is actively developing new business opportunities for the Quantum. In addition to expanding the Quantum footprint Envipco is also actively pursuing other commercial opportunities in the Netherlands.

The EU is moving closer to mandating DRS across the continent with the EU Parliament's vote and approval of the EU Packaging and Packaging Waste Regulation (PPWR) in April 2024. The PPWR mandates 90% collection rate for plastic bottles and cans using DRS and minimum recycled content of 25% in PET

bottles by 2025 and 30% by 2030, effectively driving demand for clean returns. With 14 of the 27 EU member states already having introduced DRS, the PPWR is expected to be a catalyst for other EU countries to adopt deposit return schemes. The PPWR is expected to enter into force after being formally adopted by the new EU Parliament and the European Council and published in EU's Official Journal.

In a joint policy statement in April 2024 the four governments of the UK announced a fully interoperable deposit return scheme (DRS) with targeted launch date October 2027. The rollout is defined by three phases where the Deposit Management Organization(s) (DMO, or system operators) are to be appointed by spring 2025, the DMOs to be set up and employed with secured funding and key policies decided upon by spring 2026, and the rollout of infrastructure, systems, logistics and RVM procurement and installation in the final phase from spring 2026 through Q3 2027.



# Outlook

Envipco is addressing expanding market opportunities in Europe and North America through a greenfield growth strategy. Deposit return schemes (DRS) are being introduced in new markets in 2025 (Poland), 2026 (Portugal) and 2027 (the UK). As the EU Packaging & Packaging waste Regulation (PPWR) is expected to enter into force in the next few quarters, further new EU markets are expected to introduce deposit return schemes towards the end of the decade. The Czech government is progressing with plans to introduce a DRS for beverage containers. Singapore is scheduled to introduce deposits on beverage containers and launch a DRS from April 2026. The DRS operator BCRS Ltd received a license in July 2024.

Envipco's industry leading RVMs are enabling automated, cost-efficient return systems securing clear material streams, and have proven to be highly competitive and efficient across markets. The company is extending its reach into existing DRS markets such as the Netherlands through a brownfield growth strategy. The company will carefully analyse other markets for a similar growth strategy.

The company's revenue outlook for the current year remains promising based on contracted and expected deliveries in current markets, specifically Romania, Hungary and Greece. The majority of European revenue will remain new RVM sales as the company generates limited service revenues during DRS startup and warranty periods. As the installed base expands as is established European Program

service revenues will grow. The company is also experiencing positive momentum in US pickup and processing activities as result of the doubling of the deposit in Connecticut driving higher redemption volumes.

Envipco remains committed to its ambition of long-term growth capitalizing on opportunities arising from legislative initiatives and other selected opportunities. The timing and character of DRS introduction will influence procurement patterns of retailers, and quarterly variations are expected. Envipco will continue to invest in market development, technology platform and the organization while continuing to drive operating leverage.

As targeted in conjunction with the private placement in March 2024, Envipco is in process of uplisting to the main list on Euronext Oslo Børs. The application has been submitted. The company expects to be approved for a listing on the main list within the upcoming months.



# Share information

The issued share capital of the Company as per 30 September 2024 amounts to EUR 2,884,519 divided into 57,690,377 shares, each having a nominal value of EUR 0.05.

The Company's authorized capital per 30 September 2024 is EUR 4,000,000 divided into 80,000,000 shares, each having a nominal value of EUR 0.05.

As per 30 September 2024 the 10 largest shareholders controlled 57% 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 30 September 2024:

## Large shareholders as per 30 September 2024

Name	# of Shares	% share
Greg Garvey & family	7,351,980	12.7%
K.E. Kilduff Bouri	4,957,667	8.6%
Marc A. Bouri	2,974,601	5.2%
Charles A. Bouri	2,974,601	5.2%
Maurice A. Bouri	2,974,601	5.2%
Vanda A. Bouri	2,974,600	5.2%
Otus Capital Management	2,785,195	4.8%
Lazard Freres Gestion	2,215,000	3.8%
DNB Asset Management	2,094,093	3.6%
Robert Lincoln	1,717,440	3.0%

## Directors' interest in the share capital of the Group as per 31 September 2024

Name	# of Shares	% share
G. Garvey	7,351,980	12.7%
M. Bouri	2,974,601	5.2%
E. Thorsen	262,500	0.5%
S. Bolton	112,074	0.2%

## Subsequent events

On 1 October 2024 Envipco announced the award of a follow-on order with a major Romanian retail group for the delivery of more than 140 Optima RVMs to retail stores across the country. This order adds to the order of more than 200 Optima RVMs announced in Q3 24. Delivery of the order is scheduled for Q4 24.

On 12 November 2024 Envipco announced the appointment of Patrick Gierman as CFO of Envipco with effect from 1 January 2025. Mr. Gierman has broad experience as CFO of European and US based businesses in General Electric in addition to experience as Audit Manager and Senior Audit Associate at PwC and EY.

## Transactions with related parties

During Q3 24 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	Q3 24	Q3 23	YTD 24	YTD 23	FY 2023
<b>Revenues</b>	<b>27,445</b>	<b>25,274</b>	<b>81,450</b>	<b>52,159</b>	<b>87,610</b>
Cost of revenue	(17,413)	(16,444)	(52,339)	(34,122)	(57,342)
<b>Gross Profit</b>	<b>10,032</b>	<b>8,830</b>	<b>29,111</b>	<b>18,037</b>	<b>30,268</b>
Selling and distribution expenses	(1,074)	(532)	(3,206)	(1,791)	(2,763)
General and administrative expenses	(8,125)	(5,503)	(22,623)	(16,588)	(23,745)
Research and development expenses	(773)	(559)	(1,743)	(1,168)	(1,967)
Other income /(expenses)	0	0	246	2	492
<b>Operating Results</b>	<b>61</b>	<b>2,228</b>	<b>1,785</b>	<b>(1,509)</b>	<b>2,285</b>
Financial expense	(138)	(460)	(1,485)	(882)	(1,481)
Financial income	22	20	57	44	353
Net finance (cost) and or income	(116)	(440)	(1,428)	(839)	(1,128)
<b>Results before tax</b>	<b>(56)</b>	<b>1,788</b>	<b>357</b>	<b>(2,348)</b>	<b>1,157</b>
Income taxes	(477)	(94)	(1,297)	(329)	(556)
<b>Net Results</b>	<b>(533)</b>	<b>1,694</b>	<b>(940)</b>	<b>(2,676)</b>	<b>601</b>
<b>Other comprehensive income</b>					
<i>Items that will be reclassified subsequently to profit and loss</i>					
Exchange differences on translating foreign operations	(1,217)	750	(347)	53	(1,081)
Total other comprehensive income	(1,217)	750	(347)	53	(1,081)
<b>Total comprehensive income</b>	<b>(1,749)</b>	<b>2,443</b>	<b>(1,287)</b>	<b>(2,623)</b>	<b>(480)</b>
<b>Profit attributable to:</b>					
Owners of the parent	(529)	1,694	(939)	(2,677)	603
Non-controlling interests	(4)	(1)	(1)	1	(2)
<b>Total Profit/(loss) for the period</b>	<b>(533)</b>	<b>1,694</b>	<b>(940)</b>	<b>(2,676)</b>	<b>601</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the parent	(1,745)	2,444	(1,286)	(2,624)	(487)
Non-controlling interests	(4)	(1)	(1)	1	(2)
<b>Total comprehensive income</b>	<b>(1,749)</b>	<b>2,443</b>	<b>(1,287)</b>	<b>(2,623)</b>	<b>(480)</b>
Number of weighted average (exclude treasury shares) shares used for calculations of EPS	57,690	51,690	56,136	51,690	51,211
Earnings/(loss) per share for profit attributable to the ordinary equity holders of the parent during the period					
- Basic (euro)	(0.01)	0.03	(0.02)	(0.05)	0.01

\* Unaudited figures except FY 2023 which is audited.

## Consolidated Balance Sheet\*

in EUR thousands	30.09.24	30.06.24	31.03.24**	31.12.23	30.09.23
<b>Assets</b>					
<b>Non-current assets</b>					
Intangible assets	15,102	8,954	9,222	9,170	9,380
Property, plant and equipment	17,662	19,372	20,772	16,985	15,589
Financial assets	2,557	2,315	1,899	1,499	222
Deferred tax assets	1,690	1,873	1,812	2,153	1,986
<b>Total non-current assets</b>	<b>37,012</b>	<b>32,516</b>	<b>33,706</b>	<b>29,807</b>	<b>27,176</b>
<b>Current assets</b>					
Inventory	32,913	37,297	35,369	32,244	32,876
Trade and other receivables	26,704	26,236	25,570	23,890	25,538
Cash and cash equivalents	28,683	24,355	33,473	12,458	4,008
<b>Total current assets</b>	<b>88,300</b>	<b>87,888</b>	<b>94,412</b>	<b>68,592</b>	<b>62,422</b>
<b>Total assets</b>	<b>125,312</b>	<b>120,404</b>	<b>128,118</b>	<b>98,399</b>	<b>89,598</b>
<b>Equity</b>					
Share capital	2,885	2,885	2,885	2,585	2,585
Share premium	89,371	95,606	95,504	71,021	70,919
Translation reserves	4,163	5,379	5,217	4,510	5,644
Legal reserves	13,831	7,606	7,732	7,725	7,827
Retained earnings	(44,847)	(44,314)	(43,780)	(43,908)	(47,187)
<b>Equity attributable to owners of the parent</b>	<b>65,403</b>	<b>67,161</b>	<b>67,557</b>	<b>41,933</b>	<b>39,788</b>
Non-controlling interests	36	41	40	41	44
<b>Total equity</b>	<b>65,439</b>	<b>67,201</b>	<b>67,597</b>	<b>41,974</b>	<b>39,831</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Borrowings	6,761	11,801	13,500	9,312	8,941
Lease liabilities	2,199	2,616	3,220	2,222	2,313
Other liabilities	6,161	819	436	375	120
Provisions	590	705	763	549	-
Deferred tax liability	63	49	48	50	-
<b>Total non-current liabilities</b>	<b>15,774</b>	<b>15,988</b>	<b>17,967</b>	<b>12,508</b>	<b>11,375</b>
<b>Current liabilities</b>					
Borrowings	13,095	7,398	6,072	7,363	11,139
Trade creditors	16,969	15,196	20,456	18,520	13,217
Accrued expenses	8,821	8,457	9,309	11,171	9,024
Provisions	1,223	1,401	1,588	1,429	1,009
Lease liabilities	941	1,696	1,904	830	1,080
Tax and social security	3,049	3,065	3,226	4,604	2,922
<b>Total current liabilities</b>	<b>44,098</b>	<b>37,214</b>	<b>42,556</b>	<b>43,917</b>	<b>38,392</b>
<b>Total liabilities</b>	<b>59,872</b>	<b>53,203</b>	<b>60,522</b>	<b>56,425</b>	<b>49,767</b>
<b>Total equity and liabilities</b>	<b>125,312</b>	<b>120,404</b>	<b>128,119</b>	<b>98,399</b>	<b>89,598</b>

\* Unaudited figure except 31.12.23 which is audited. \*\*restated on basis of audited 2023 accounts

## Consolidated Cash Flow Statement\*

in EUR thousands	YTD 24	YTD 23	Q3 24	Q2 24	Q1 24**
<b>Cashflow from operating activities</b>					
Operating results	1,785	(1,509)	61	642	1,082
Adjustment for:					
Depreciation & Amortization	5,548	4,388	1,684	1,919	1,945
Deferred revenue	(3,669)	-	168	(1,246)	(2,591)
Changes in:					
Changes in trade and other receivables	(3,862)	(12,143)	535	(1,711)	(2,686)
Changes in inventories	(97)	(9,028)	3,864	(1,688)	(2,273)
Changes in provisions	(157)	(327)	(268)	(250)	361
Changes in trade and other payables	(2,345)	6,331	2,441	(4,414)	(372)
<b>Cash generated from operations</b>	<b>(2,797)</b>	<b>(11,634)</b>	<b>8,485</b>	<b>(6,748)</b>	<b>(4,533)</b>
Interest received and paid	(948)	(613)	(498)	(12)	(438)
Income taxes paid	(759)	(329)	(667)	(7)	(85)
<b>Net cash flow from operating activities</b>	<b>(4,504)</b>	<b>(12,576)</b>	<b>7,320</b>	<b>(6,767)</b>	<b>(5,057)</b>
<b>Investing activities</b>					
Development expenditure, patents	(931)	(1,555)	(183)	(229)	(519)
Investments in property, plant & equipment	(3,865)	(2,085)	(2,345)	(1,097)	(423)
Acquisitions, net of cash acquired	(1,466)	-	(1,466)	-	-
Restricted cash (non-current)	-	-	-	-	-
<b>Net cash flow used in investing activities</b>	<b>(6,262)</b>	<b>(3,640)</b>	<b>(3,994)</b>	<b>(1,326)</b>	<b>(942)</b>
<b>Financial activities</b>					
Proceeds of share issue	24,739	14,514	(9)	(23)	24,771
Changes in share lending facility	-	(15,000)	-	-	-
Changes in borrowings - proceeds	5,629	9,000	2,414	255	2,960
Changes in borrowings - repayments	(2,351)	(1,369)	(1,423)	(702)	(226)
Changes in shareholder loan	-	(3,541)	-	-	-
Changes in lease liabilities	(997)	(858)	45	(530)	(512)
<b>Net cash flow from financing activities</b>	<b>27,020</b>	<b>4,115</b>	<b>1,027</b>	<b>(1,000)</b>	<b>26,993</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>16,254</b>	<b>(12,100)</b>	<b>4,353</b>	<b>(9,093)</b>	<b>20,994</b>
Opening position	12,458	16 121	24,355	33,473	12,458
Foreign currency differences on cash and cash equivalents	(29)	(13)	(26)	(24)	21
Closing position	28,683	4,008	28,683	24,355	33,473
<b>The closing position consists of:</b>					
Cash and cash equivalents	28,683	4,008	28,683	24,355	33,473
<b>Total closing balance in cash and cash equivalents</b>	<b>28,683</b>	<b>4,008</b>	<b>28,683</b>	<b>24,355</b>	<b>33,473</b>

\* Unaudited figures. \*\*restated on basis of audited 2023 accounts

## 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 2024</b>	<b>2,585</b>	<b>71,021</b>	<b>4,510</b>	<b>7,725</b>	<b>(43 908)</b>	<b>41,933</b>	<b>41</b>	<b>41,973</b>
Net profit/(loss) for the period	-	-	-	-	(939)	(939)	(4)	(943)
Other comprehensive income	-	-	-	-	-	-	-	-
- Currency translation	-	-	(347)	-	-	(347)	-	(347)
<b>Total comprehensive income for the period ended 30 September 2024</b>	<b>-</b>	<b>-</b>	<b>(347)</b>	<b>-</b>	<b>(939)</b>	<b>(1,286)</b>	<b>(4)</b>	<b>(1,290)</b>
Share issue	300	24,457	-	-	-	24,757	-	24,757
Legal reserve	-	(6,107)	-	6,107	-	-	-	-
<b>Balance at 30 September 2024</b>	<b>2,885</b>	<b>89,371</b>	<b>4,163</b>	<b>13,831</b>	<b>(44,847)</b>	<b>65,403</b>	<b>36</b>	<b>65,439</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 30 September 2024 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 2023, 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 2023.

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 2024. Consequently, any impairment losses will only be recognized in the audited annual financial statements over the fiscal year 2024.

These unaudited interim financial statements have not been reviewed by our auditors.

### **Envipco Holding NV**

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