



Q2 Webcast  
26 August 2021





# 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. In addition to regular Risk and Uncertainties as detailed in previous published guidance, Covid-19 impact has been reflected in reduced RVM sales in both Europe and the US through 2020 with some continued influence in 2021.



## Presenting team



**Simon Bolton**  
*CEO*



**Derk Visser**  
*Group CFO*



**Robert Lincoln**  
*President, COO*



# Highlights

## Q2 - 2021

- Increase of Revenues of 41% vs Q2 '20 (51% currency adjusted) through recovery of container throughput
- 11% positive EBITDA from loss in Q2 '20
- Overall increased commercial activity, particularly in Europe
- Modernization of US CT Bottle Bill indication of movement in legislation; RVM requirements, handling fees

## H1 - 2021

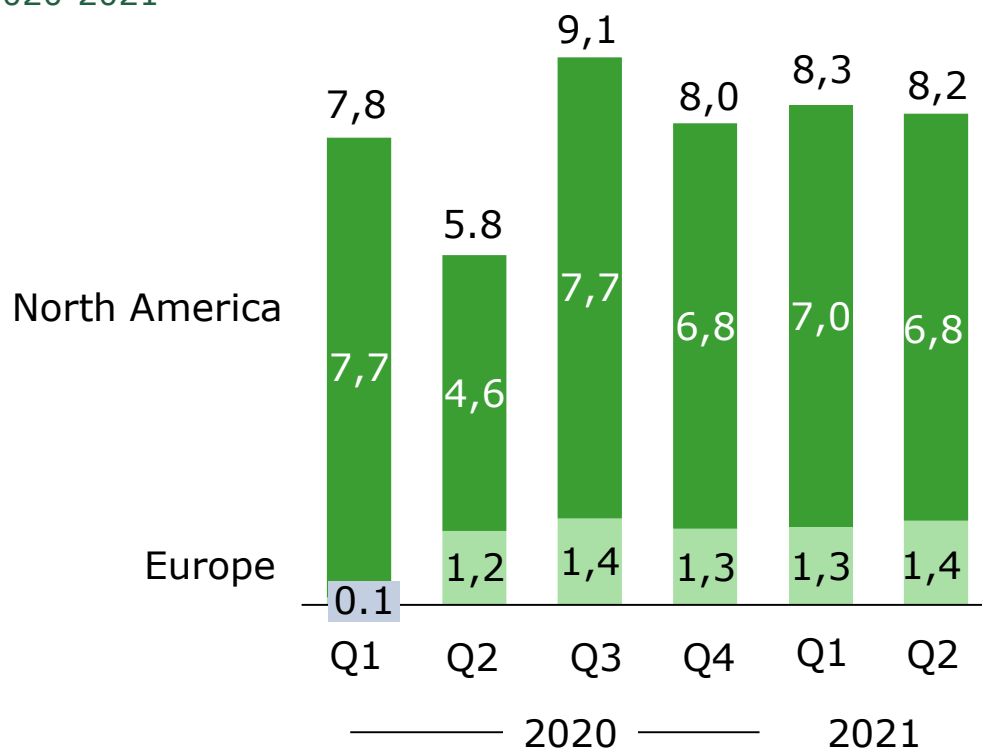
- Increase of Revenues of 21% vs H120 (31% currency adjusted)
- Share placement, DPG Settlement and PPP loans strengthened financial position
- Business development: preparation in Scotland, Central Europe, Portugal
- Preparations in Romania and Germany for production capacity increase



## Q2 2021: Strong revenue growth vs Q2 20

### Total Company Revenue

€m, Qtr 2020-2021



- North America revenue growth of 47% (62% in USD) driven by recovery in container throughput volumes
- Europe revenue growth of 15% - Sweden driven
- Currency adjusted, Q2 21 revenues are at 94% of Q2 19 revenues

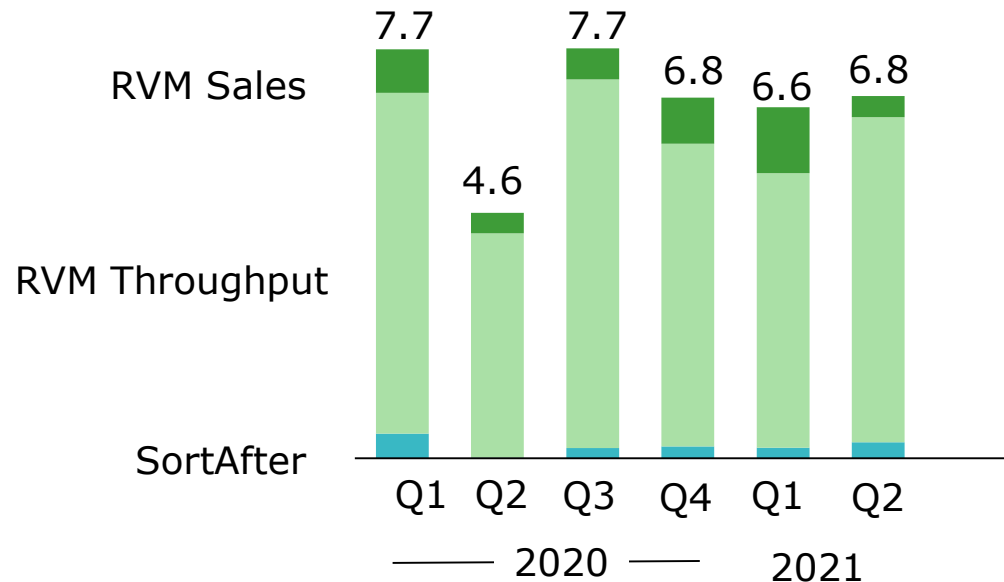
Note: Australia included in North America revenue; EUR:USD Q2 21 0.835; EUR:USD Q2 19 0.89



## Q2 2021: North America recovery

### North America Revenue

€m, Qtr 2020-21



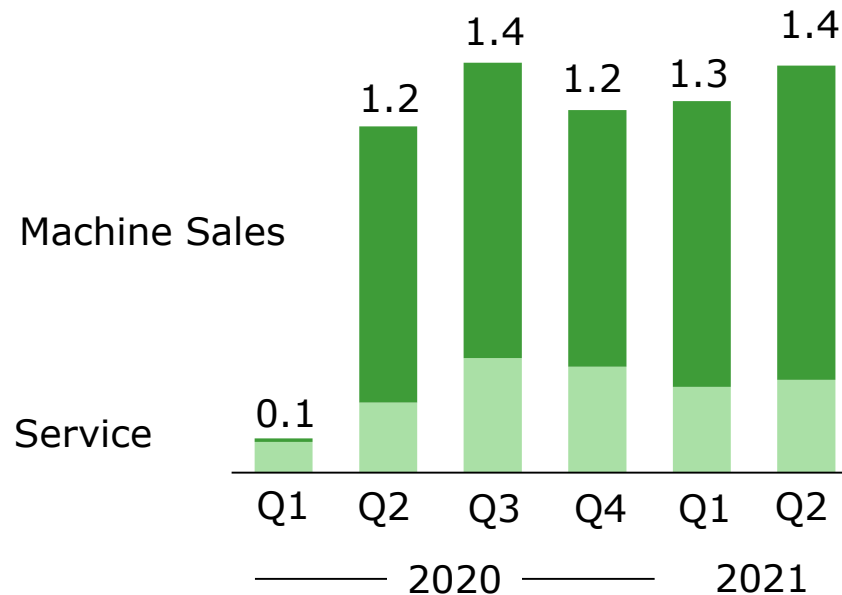
- North American program services (RVM Throughput & SortAfter) increased 52% vs Q2 2020 and 20% vs Q1 2021
- Machine sales H1 up 40% versus H1 2020, driven by strong Q1
- Currency adjusted, Q2 21 North America revenues are at 94% of Q2 19 revenues
- Outlook H2: Program services expected to be at 95% or more of pre-Covid levels & strong RVM sales expected for H2





# European revenues strong in H1 2021

**European Revenue**  
€m, Qtr 2020-2021



- Europe sales H1 doubled versus H1 2020; 15% in Q2
- Service revenue Q2 growth of 32%, H1 growth 77%
- Outlook H2: strong Swedish orderbook; orders in support of launch Scottish DRS



## Strengthened financial profile

- Share issue, IP settlement, PPP loan forgiveness & H1 performance have strengthened the Company:  
Equity-to-Debt Q2 4.1 (Q1 3.9; Q4 20 2.4)
- Second PPP loan of €1.6m included in borrowing, eligible for forgiveness further strengthening balance sheet (expected Q421/Q122)
- Unused borrowing facilities per end of Q2: 2.5M EUR
- *Company has the resources and flexibility to execute on growth opportunities*

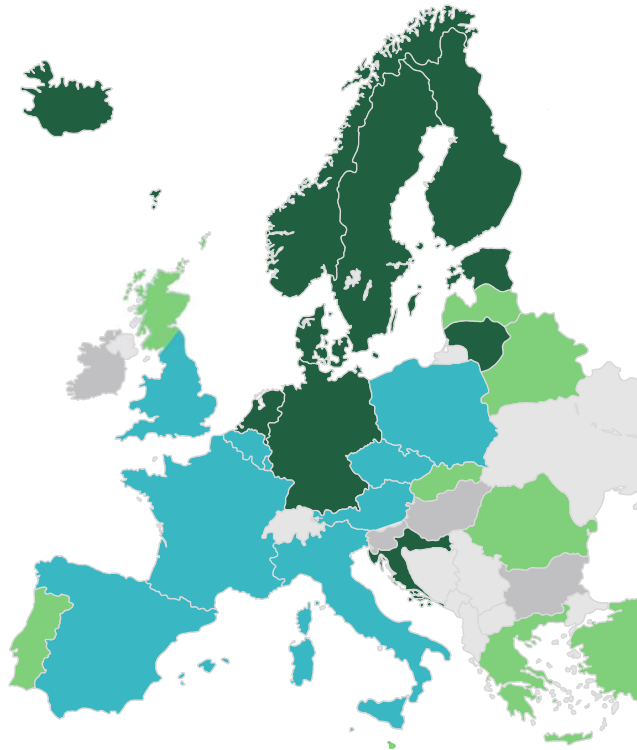




# Large second wave of DRS implementation coming

20 European countries are either **operating**, **have legislated** or are **politically discussing** DRS today... Others reviewing plan for SUP directive

Initial countries early movers on legislation  
Significant legislation led second wave over the next 5 years



## LEGEND

- DRS in operation
- DRS in consultation / current political discussion
- DRS legislated/planned
- Affected by EU Directive



1984 - 2006  
First wave

2007 - 2020  
Increasing awareness,  
legislated initiative

2021 - 2025  
Second wave

Sources: Reloop, European Packaging EPR Webinar (2019); Eunomia, PET Market In Europe (2020)



# Europe – Already driving market development

## Strategy tailored for success in various markets



### Scotland / UK / ROI

- Possible delay; continued to engage in RFI/RFP processes
- In the wider UK & Republic of Ireland discussions and engagement are on-going with the industry, government and all stakeholders



### Portugal

- Continued strong engagement and pilots
- Local Business Development resource started



### Central / Rest of Europe

- Establishing Central European team, Business Development Manager started in Slovakia
- Continued opportunities in Europe which are in commercial negotiation



# North America – growth returning

## Reacting to market changes

### North America

- Store refurbishments re-started – positive pipeline
- Several new accounts in final stages of commercial negotiations
- Connecticut re-vamp of Bottle Bill ... important modernization and increased scope for improved redemption rates helped by RVMs

Be prepared for the new "Bottle Bill"



Learn more about the  
envipco  
**FLEX**  
RVM for  
your  
location...

- Purpose built for smaller footprint retailers
- Low cost compliance with CT redemption laws
- New CT Bottle Redemption Law\* - chain stores with more than 10 locations in CT with greater than 7000 square feet must have at least 2 RVMs
- Turnkey lease deals cover equipment, service, repairs, & data management
- Envipco RVMs comply with all state regulations for redemption machines
- Fast, reliable & hassle free • Accurate accounting
- Protects cash flow • Eliminates shrink

\* For more information about Bill 1037, please visit [www.ct.gov](http://www.ct.gov)





# Romanian significant opportunity

Positioned to compete in new EU markets



## Municipal Recycling Centre - Ciugud











## Romania

- Continued development of positive Retail Pilots



- Continuing to establish pilot schemes in Municipal areas – showcased in recent 'Smart Villages' conference
- Secured European Manufacturing site – being developed & due to go full capacity 2022

# Offering a broad and advanced technology platform to serve diverse client needs

Product	Key features	Target market
 <p><b>FLEX</b> Smallest, low-cost RVM</p>	<ul style="list-style-type: none"> <li>✓ 40 containers/min</li> <li>✓ Small Footprint (60cm wide)</li> <li>✓ Glass side sort option</li> </ul>	<ul style="list-style-type: none"> <li>✓ Convenience stores</li> <li>✓ Gas stations</li> <li>✓ Schools</li> </ul> 
 <p><b>ULTRA</b> Single commodity feed RVM</p>	<ul style="list-style-type: none"> <li>✓ 42 containers/min</li> <li>✓ Market leading compaction</li> <li>✓ In-store / standard size for retail</li> </ul>	<ul style="list-style-type: none"> <li>✓ Supermarkets</li> <li>✓ Hypermarkets</li> </ul> 
 <p><b>OPTIMA</b> All-in-one commodity feed RVM</p>	<ul style="list-style-type: none"> <li>✓ 42 containers/min</li> <li>✓ Market leading compaction</li> <li>✓ Shape system</li> <li>✓ Camera recognition</li> </ul>	<ul style="list-style-type: none"> <li>✓ Supermarkets</li> <li>✓ Hypermarkets</li> <li>✓ Redemption centers</li> </ul> 
 <p><b>QUANTUM</b> Breakthrough bulk feed RVM</p>	<ul style="list-style-type: none"> <li>✓ 100 containers/min</li> <li>✓ Maximum convenience</li> <li>✓ Deposit / Non-deposit</li> <li>✓ In-store / Outdoor</li> </ul>	<ul style="list-style-type: none"> <li>✓ Large supermarkets</li> <li>✓ Hypermarkets</li> <li>✓ Recycling centers</li> </ul> 

Source: Envipco





## Outlook positive and positioned for future growth

- Continued progress during the year
- Strong growth activity in Europe & North America
- Strengthened balance sheet & financial resources
- Clear strategy, well positioned for future success





Thanks for your attention ... Q&A