



Q1 Webcast
1 June 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

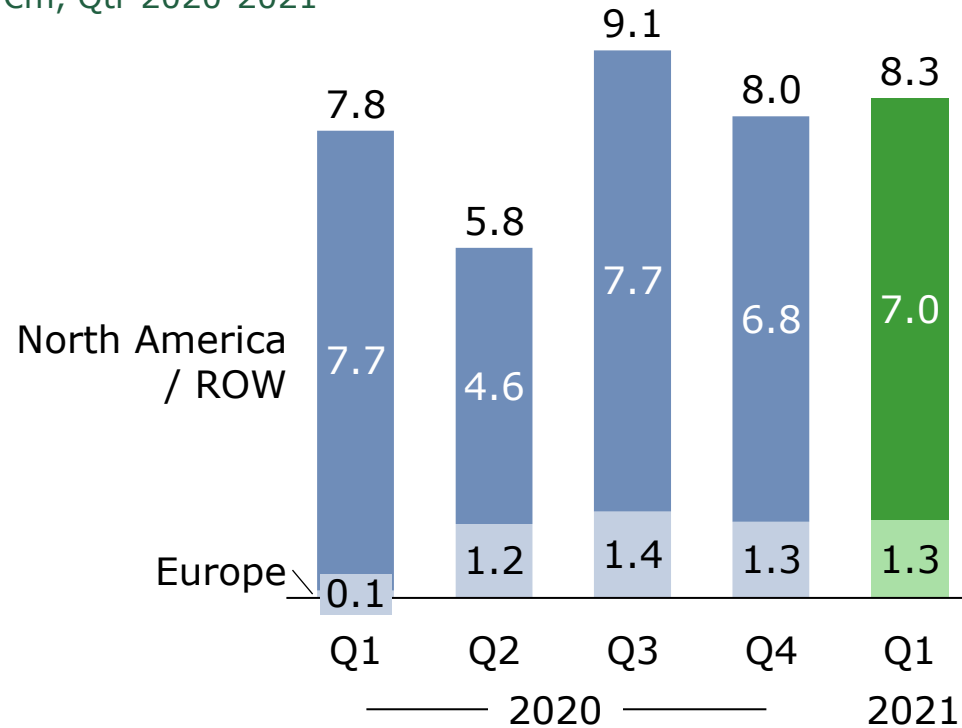
Q1 - 2021

- Solid continued recovery with group revenues growing +7% to €8.3m, +17% currency adjusted.
- Gross profit improvement to 37% from 35% in Q1 2020
- Significant other income of €3.4m relates to DPG IP litigation settlement and PPP loan forgiveness
- Operating profit improvement to €2.7m from a loss of €(1.3m) in Q1 2020; excluding other income loss Q1 2021 improved to €(0.7m)
- EBITDA improved to €3.4m from a negative EBITDA of €(0.4)m in 2020
- Continued strengthening of financial capacity with successful share issue of €8.1m and listing on Oslo Euronext Growth market and 2nd PPP loan €1.6m received in March 2021
- Acceleration of new market development activities



Solid start in Q1

Total Company Revenue
€m, Qtr 2020-2021

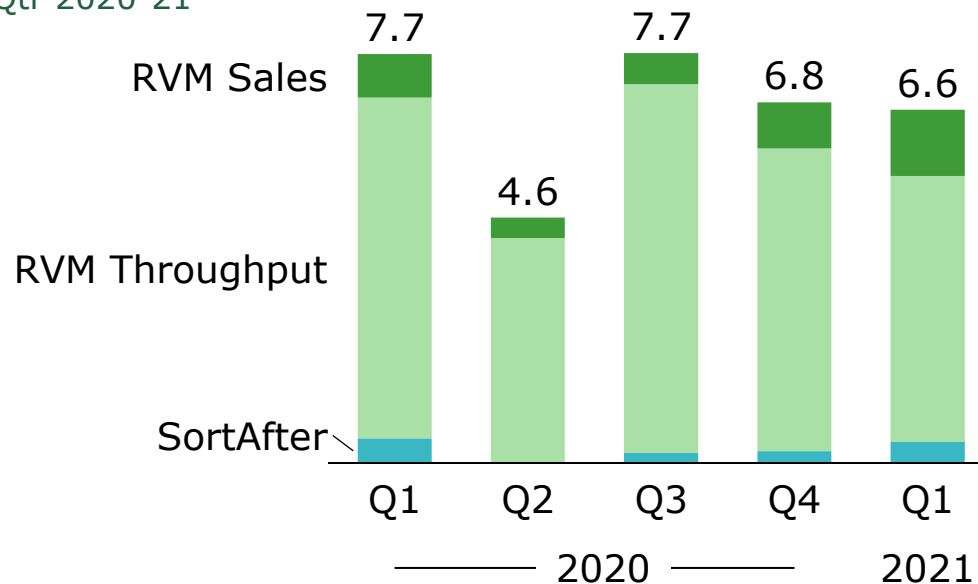


- Q1 2021 revenue above Q1 2020 (+7%), currency adjusted +17%
- Strong overall RVM sales growth of +217% to €2.7m driven by North America, Sweden and renewed sales in Australia



USA good machine sales, throughput still recovering

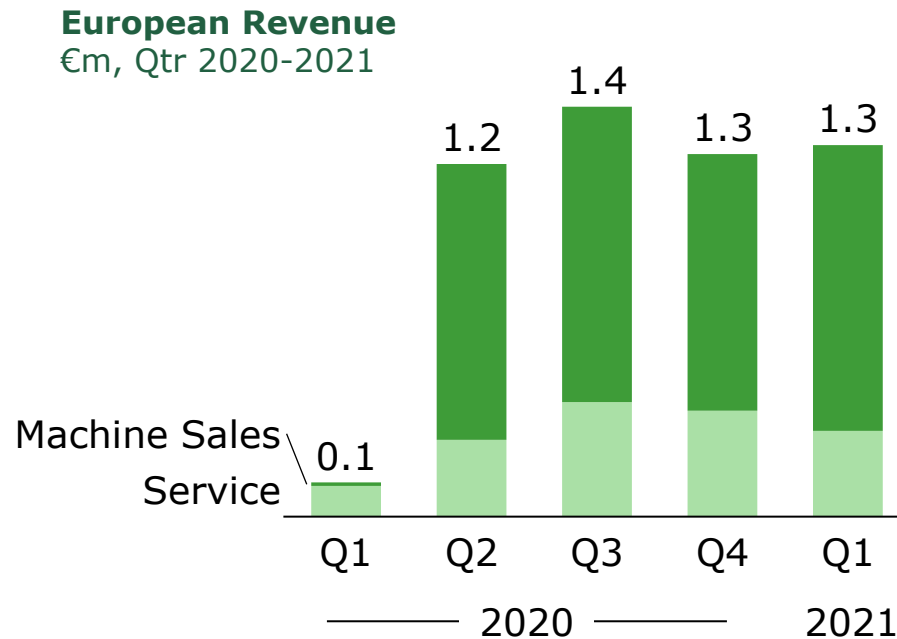
North America Revenue
€m, Qtr 2020-21



- Strong Q1 machine sales, revenue +52% to €1.2m compared to €0.8m Q1 2020 as new accounts were brought on stream and refurbishment programs recommenced.
- Q1 2021 Throughput revenue still Covid impacted along with adverse weather in the North-East during February. Throughput volume 14% lower vs. Q1 2020, on constant currency basis. As NY fully re-opens this spring we see positive trends to normalized Throughput revenues.
- Encouraging pick up in legislative activity ... positive for future growth



European strong start to the year



- Strong growth vs. Q1 2020, faster start to the year from growing order book in Sweden
- Service revenue grew 194% vs. Q1 2020
- Increased market development activities across the region



Significantly strengthened financial profile

	31/3/2021	31/12/2020
Working Capital		
Cash	12,850	1,109
Inventory	8,942	9,006
Trade Receivables	9,422	10,611
Total	31,214	20,726
Trade Creditors	5,032	4,780
Accrued Expenses	3,328	2,481
Total	8,360	7,261
<i>Current Ratio</i>	<i>3.7x</i>	<i>2.9x</i>

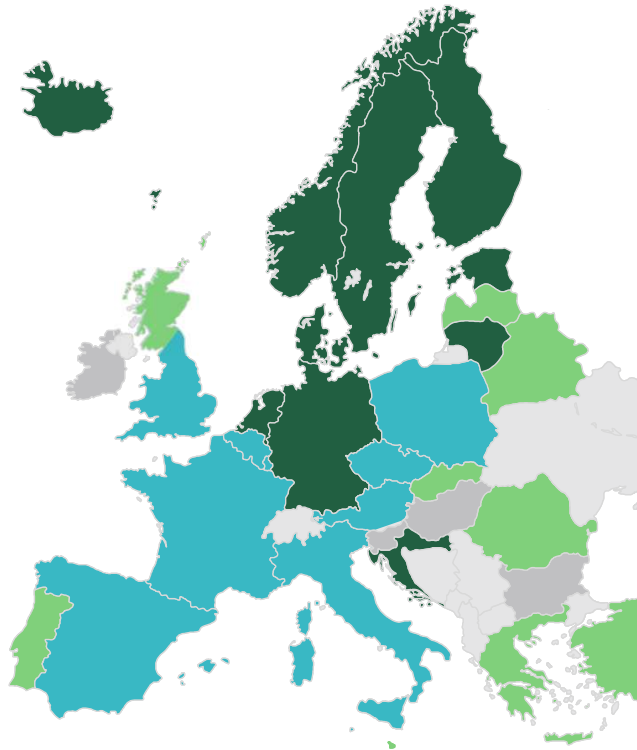
- Successful share issue, IP settlement, PPP loan forgiveness & Q1 performance have strengthened the Company: Equity-to-Debt Q1 2021 3.9 versus 2.4 Q4 2020
- Second PPP loan of €1.6m included in borrowing, eligible for forgiveness further strengthening balance sheet
- Company has the resources and flexibility to aggressively 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

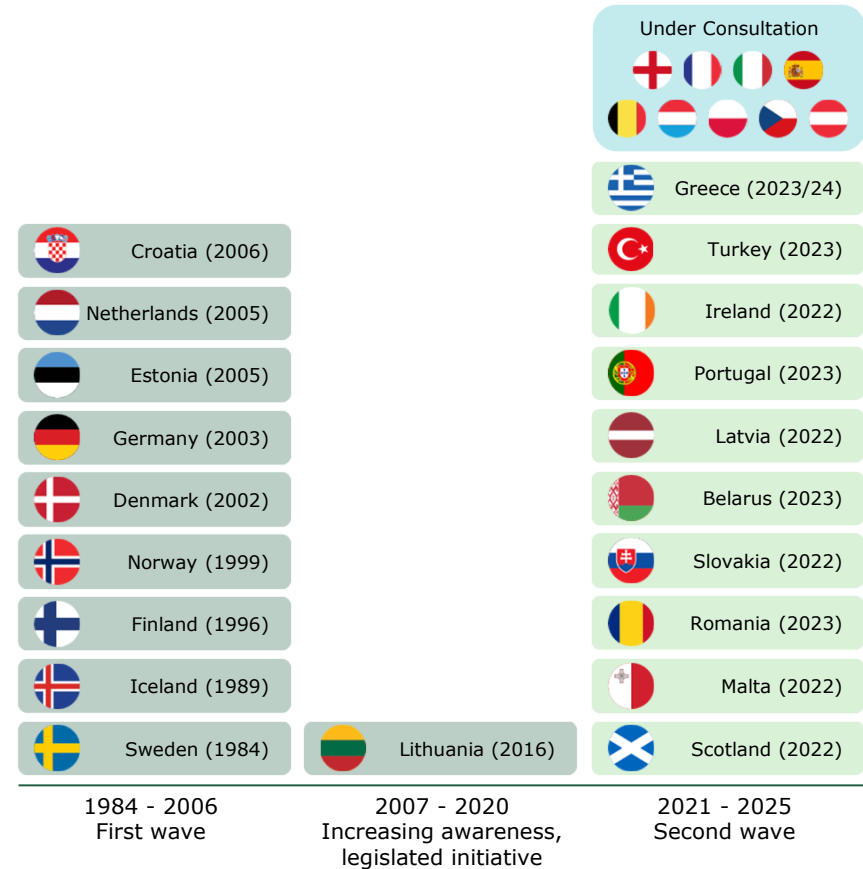
Initial countries early movers on legislation
Significant legislation led second wave over the next 5 years



LEGEND

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

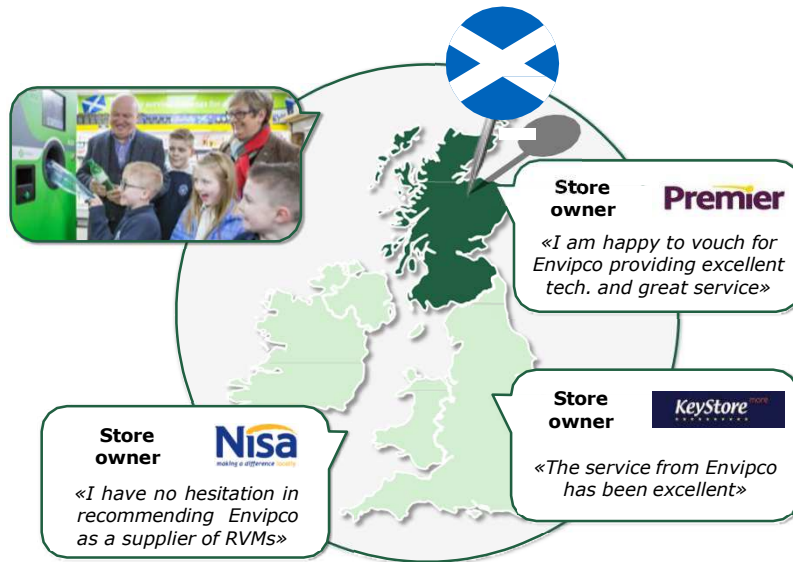
Sources: Reloop, European Packaging EPR Webinar (2019); Eunomia, PET Market In Europe (2020)





Europe – Already driving market development

Strategy tailored for success in the Scottish/UK market



- Focused team in country since 2018
- Circularity Scotland appointed as operator positive
- Cross party review on go-live date. Currently law not changed and any potential delay will have minimal impact on the commercial decisions
- For the wider UK, DEFRA opened 2nd consultation for “Introducing a DRS” re-confirms commitment to establish scheme, go-live date in 2024



Europe – Already driving market development

Positioned to compete in new EU markets



Romania

- Initial retail pilots started ... launched recycling concept for villages with local government
- Initiating manufacturing investments to 2+x current global capacity in medium-term



Portugal

- Engaged in detailed discussions with the market leading retailer including successful pilot
- Building service partnerships and local team



Sweden – Continued success story, great start to the year

Quantum installed based 100+

- Building on Returpack, growing retail adoption of Quantum & digital services
- Strong start to 2021 – increasing order backlog
- Growing installed base gives solid pull through to service revenues



ICA Luleå



ICA Rimbo



RP Malmö





Australia – delivering good alternatives to the market









Envipco technology gaining traction in Australia



- The first 'Superkiosk' was launched in Ipswich, Queensland, Australia by long-term partner Envirobank ... concept to be replicated in other States / territories as growth follows a more traditional RVM investment structure
- Momentum building again in Australia, as Queensland and Western Australia move to RVM based collection centers



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

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

Source: Envipco



Outlook positive and positioned for future growth

- Good start to the year
- European growth, North America recovering
- Strengthened balance sheet & financial resources
- Clear strategy, well positioned for future success





Thanks for your attention ... Q&A