

Envipco Holding N.V.

Innovative recycling systems
For a cleaner environment

Envipco Reports 2016 Audited Annual Results

Amersfoort, The Netherlands, 26 April 2017

All Figures in EURO thousands
Consolidated Statement of Comprehensive Income

	Audited	Audited
	Year to 31/12/16	Year to 31/12/15
Operating revenues	33,114	29,635
Cost of revenue	(19,257)	(17,365)
Leasing depreciation	(2,204)	(1,734)
Gross profit	11,653	10,536
Operating expenses	(10,326)	(9,400)
Other income/(expenses)		
- Contract settlement	-	560
- Miscellaneous income/(expenses)	49	118
Operating results	1,376	1,814
Net financial items	(261)	(332)
Profit / (loss) before tax	1,115	1,482
Taxes	4,136	(67)
Net results	5,251	1,415
Other comprehensive income		
Exchange differences on translating foreign operations	733	1,196
Other movements/minority	-	1
Total other comprehensive income	733	1,197
Total comprehensive income	5,984	2,612
Net results attributable to : Owners of the parent	5,241	1,417
: Non-controlling interest	10	(2)
	5,251	1,415
EBITDA (earnings before interest, taxes, depreciation and amortisation)	4,559	4,307

Earnings/(loss) per share (EPS) - Continuing operations

Number of weighted average shares used in calculation of EPS (in thousands)
(excluding treasury shares)

Consolidated Balance Sheet
ASSETS

Fixed assets and investments

Cash and cash equivalents

Other current assets

TOTAL ASSETS

LIABILITIES & EQUITY

Shareholders equity

Non-controlling interest

Long term liabilities

Current liabilities

TOTAL LIABILITIES & EQUITY

1.457	0.394
3,598	3,598
Audited	Audited
31/12/16	31/12/15
21,564	15,604
1,416	789
17,765	16,350
40,745	32,743
23,452	17,598
29	19
5,441	5,192
11,823	9,934
40,745	32,743

Key Developments

The Group's key developments during 2016 were as follows:

- The company grew revenues in 2016 by 11.7% to €33.11m from €29.63m in 2015.
- The company increased gross profit for 2016 to €11.65m from €10.54m in 2015.
- Operating profit before one-time gain in 2015 (€0.56m) increased in 2016 to €1.38m from €1.25m in 2015. EBITDA increased 22% in 2016 to €4.56m (excluding the one-time gain in 2015), which is €0.14m higher due to reclassification of depreciation.
- Net profit after taxes increased substantially in 2016 to €5.24m from €1.42m in 2015 due to capitalisation of approximately €4.00m of tax loss carry-forwards in 2016 not previously recognised.
- The company was granted a full patent by the German Patent office that covers a method for how security labels are created and interpreted.

Results

Total revenues increased 11.7% in 2016 to €33.11m. The North America revenue increase was only 4.7% as machine sales declined €1.70m from 2015 due to delayed installations with one of our major customers. The North America recurring revenue from RVM machine lease, service and container throughput income grew 12.8% as a result of our increasing RVM machine installation base. Our Europe revenues increased 350% to €2.70m from €0.60m in 2015. The Europe increase resulted from our Swedish market launch combined with increased RVM sales to our French and Greek distributors.

Operating profit before one-time gain in 2015 increased by 10.4% to €1.38m in 2016. Operating performance improvements were achieved despite substantial cost of €1.10m incurred in launch of the Swedish market and an additional cost of €0.55m related to IP enforcement activities in Germany.

Shareholder's equity increased to €23.45m (after adjusting for €0.12m for treasury shares) in 2016 from €17.60m in 2015. This increase was favorably impacted by capitalisation of approximately €4.00m of tax loss carry-forwards resulting from expected sustained profit performance in future years of a Group's subsidiary. This subsidiary still has additional tax loss carry-forwards of €7.80m that may be subject to capitalisation in future years.

Following are the financial highlights:

Continuing operations	2016	2015
Revenues	€33.11m	€29.63m
Gross profit margin	35.19%	35.55%
Net profit (loss) before taxes	€1.12m	€1.48m
Net profit (loss) after taxes after minority	€5.24m	€1.42m
EBITDA	€4.56m	€4.31m
Earnings (loss) per share	€1.457	€0.394
Equity		
Shareholder's equity	€23.45m	€17.60m
Liquidity ratio (current assets / current liabilities)	1.62	1.73
Total assets	€40.75m	€32.74m

Please refer to our web site www.envipco.com to download a full pdf version of our 2016 Annual Report inclusive of our management report on the 2016 results and the future outlook.

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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 NYSE Euronext Brussels (new Symbol ENVI). Envipco, with operations in several countries around the globe, is a recognised leader in the development and operation of reverse vending machines (RVMs), automated technological systems for the recovery of used beverage containers. Envipco's turnkey solutions cover all aspects of beverage container recycling - from recovery, validation, compaction, sorting, transportation and logistics, to accounting for every container, to recycling and processing used beverage containers to prepare for conversion into new containers and consumer products. 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.

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