ANNUAL REPORT 2025

envipco

Making recycling easier.

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This copy of the annual report of Envipco Holding N.V. for the year 2025 is not in the ESEF format as specified by the European Commission in Regulatory Technical Standard on ESEF (Regulation (EU) 2019/815). The ESEF reporting package is available at www.envipco.com/investor-relations.

2025 at a Glance

Installed base

13k RVMs

and growing in European markets

Active presence in

17 markets

rapid expansion in Europe leveraging strong North American foundation

2025 revenue

EUR 90.3 million

YoY decline of 21%

Organizational capacity

531 employees

well-positioned to drive growth

Successful private placement

EUR 54 million

to execute market opportunities

About Envipco

Envipco (the Company) 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.

Cost-efficient automation securing clean material streams

Automation & Compaction

Fraud detection

Clean material streams for recycled content

Reporting requirements & clearing

Envipco growth platform

Greenfield growth

New DRS markets

Existing Business

Develop current markets

Brownfield growth

Existing DRS markets

M&A

Expand markets and segments

VISION

Creating a cleaner world for future generations.

MISSION

Make recycling easier for everyone.

Emerging as the forward-thinking leader, we continuously invest in developing and offering innovative technology solutions for drinks packaging recycling. We have a clear strategy for accelerating growth and are committed to deliver excellent products and services to our customers, tangible results to our investors, and a great place to work for our employees.

Our values

At Envipco, our values define who we are and guide our actions. We are committed to sustainable environmental solutions, driven by a passion for innovation and excellence. We prioritize delivering exceptional performance and fostering trust and respect in all our relationships.

Our growth ambition and drive for improvement are a testament to our unwavering commitment to our core values of trust, passion, excellence, performance, and commitment, which continue to drive our success and inspire our team to achieve outstanding results.

We always appreciate accountability, honesty, and integrity

We are enthusiastic, determined, and self-motivated in everything we do

We think differently and strive for innovative solutions and continuous improvement

We are focused, highly motivated, and empowered to succeed

We respect and value our people's opinions, encourage development and reward their achievements

Key figures

in € millions	2025	2024	2023	2022	2021
Revenues	**90.3**	**114.0**	**87.6**	**56.4**	**38.4**
- Europe	56.0	79.7	55.5	18.1	7.2
- North America	34.3	34.3	32.1	38.2	31.2
Gross profit	**30.2**	**42.3**	**30.3**	**18.5**	**13.4**
Gross profit %	33.4%	37.1%	34.6%	32.7%	34.9%
Operating expenses	41.8	38.7	28.5	23.1	14.7
Operating profit (EBIT)	**(7.6)** [2]	**3.7** [3]	**2.3** [3]	**(2.7)** [4]	**2.3** [4]
Net profit/(loss) after taxes after minority	(10.7) [2]	(3.0) [3]	0.6 [3]	(4.2) [4]	0.6 [4]
EBITDA [1]	**1.1** [2]	**11.9** [3]	**8.3** [3]	**2.3** [4]	**5.9** [4]
EBITDA %	1.3%	10.4%	9.5%	4.1%	15.4%
Earnings/(loss) per share in €	(0.18)	(0.05)	0.01	(0.09)	0.01
Total assets	160.0	135.9	98.4	78.9	51.7
Equity	103.5	65.2	42.0	27.9	30.5
Net debt[5]	(41.1)	(3.8)	4.2	(1.6)	4.0

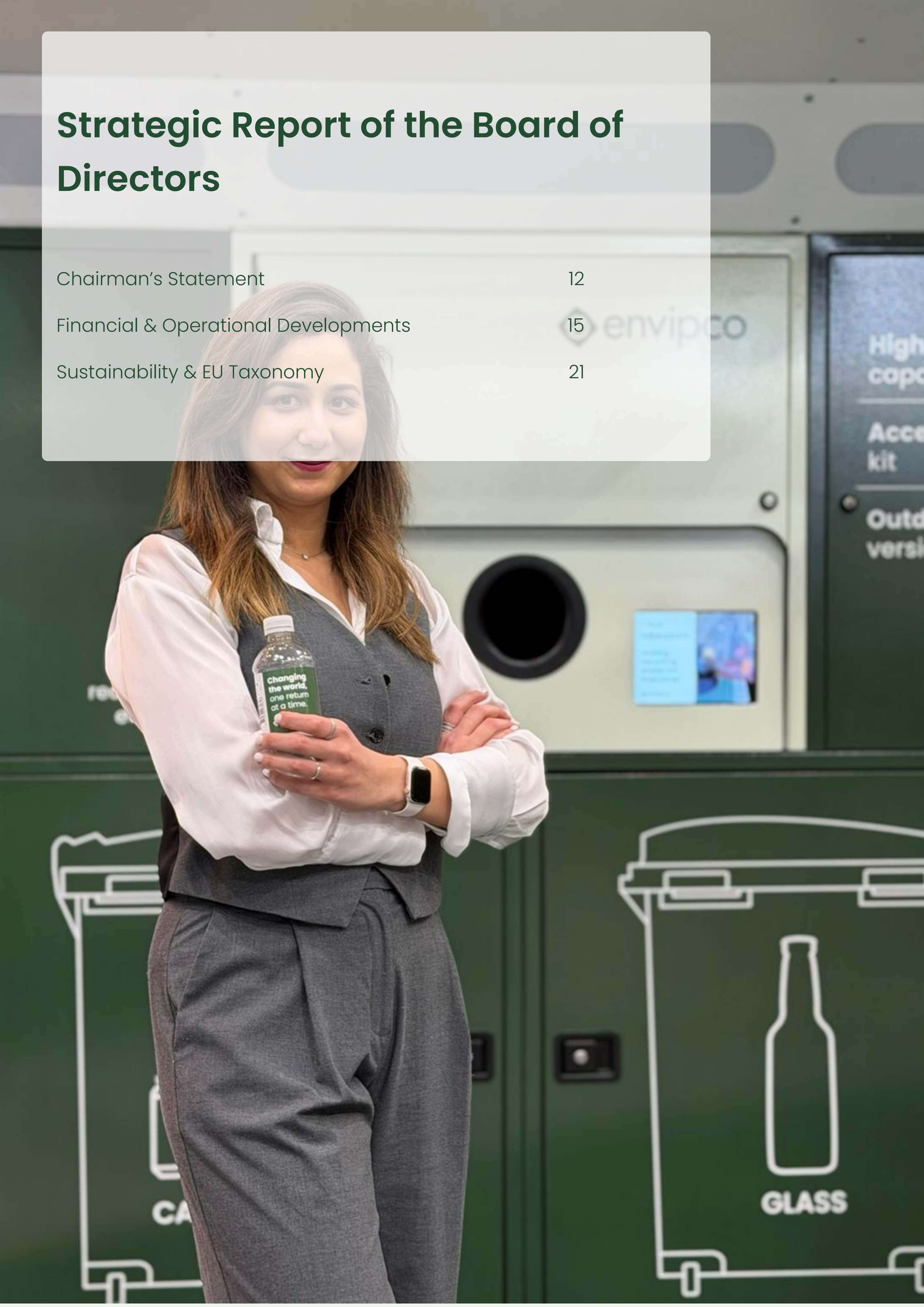
1) EBITDA, not being a defined performance measure in IFRS, is defined in the Other Information section of this report.
2) Operating profit for 2025 includes a gain of €4.0 million in other income-expenses from revaluation of contingent consideration, which is measured at fair value through profit and loss.
3) Including in EBITDA, other income 2024 of €0.3 million from cancellation and resale of UK inventory (2023: €0.5 million).
4) Including in EBITDA, other income 2022 of €1.9 million (Paycheck Protection Program forgiveness) and 2021 of €3.6 million (Deutsche Pfandsystem settlement, Paycheck Protection Program forgiveness and fire damage settlement).
5) Net debt, not being a defined performance measure in IFRS, is defined in the Other Information section of this report.

Report of the Board of Directors

Report of the Board of Directors

The Company's Board of Directors hereby presents its Director's Report for the financial year ended on 31 December 2025. Envipco Holding N.V. is a public limited liability company incorporated in accordance with the laws of the Netherlands, with its statutory seat in the Netherlands. Envipco Holding N.V. is the ultimate parent company of Envipco and is listed on Euronext Amsterdam and Euronext Growth Oslo. Envipco Holding N.V. and its subsidiaries listed under Note 3 together form the Company. This report refers to the best practice provision 5.1.5 of the Corporate Governance Code (DCGC).

Strategic Report of the Board of Directors



Chairman's Statement

I am pleased to present Envipco's 2025 Annual Report and business update.

Envipco enters 2026 positioned for the next phase of growth following a transitional year in 2025, during which the Company continued to execute its long-term strategy while investing in the organizational, operational and governance foundations required to support upcoming DRS deployments across Europe and continued installed base activity in North America and Europe.

2025 performance and financial position

After several years of strong growth, revenues declined by 21% in 2025. The Company's US business remained stable and Envipco continued to strengthen its position in established European DRS markets. However, these markets are maturing, and delays in the rollout of new DRS programs have not yet provided the expected offset for this effect during the year.

Lower utilization across factories and the service organization, together with the timing of major national DRS go-lives, resulted in a gross margin of 33.4%. Operating expenses increased by 8%, reflecting continued investment in personnel, technology and market readiness, and EBITDA amounted to €1.1 million.

Management maintained a strong focus on working capital discipline and balance sheet resilience. Following the completion of the new financing structure with ABN AMRO Bank in August 2025 and the successful private placement in September 2025, which generated €54 million in gross proceeds, Envipco ended the year with a strong financial position, continued access to liquidity, and appropriate capital headroom.

Organization, operations and technology

At year end, Envipco employed 531 people globally. During 2025, the Company expanded its global supply chain and operations, strengthened local teams in Poland and Portugal in preparation for imminent DRS deployments, and invested early in future markets, including Spain, the UK and France. Envipco also continued the rollout of its enterprise resource planning (ERP) system and further strengthened the global finance organization, internal controls and governance frameworks.

Envipco's industry-leading RVM technology continues to demonstrate strong competitiveness, cost efficiency and reliability across markets. During the year, several new products were successfully developed and launched, including Compact, Magna and Quantum S, which are expected to become important growth drivers, particularly in new DRS markets. In parallel, engineering teams delivered further cost optimizations and introduced new features across the product portfolio that reinforce modularity and scalability.

Recognizing the importance of talent and capability development, Envipco launched its internal training and education platform, Envipco Academy, and continued to invest in employee development. These initiatives support the Company's ambition to be an attractive employer and to build the skills and leadership capacity required for sustained growth.

Regulatory momentum and market outlook

The long-term market outlook remains underpinned by accelerating regulatory momentum. The EU Packaging and Packaging Waste Regulation (PPWR), which applies from 12 August 2026, mandates higher collection and circularity targets by the end of the decade, including a 90% separate collection target for single-use plastic beverage bottles by 2029.

During 2025, several key European markets reached important milestones:

- Poland launched its national DRS on 1 October 2025, with focus in 2026 shifting to operational ramp-up, retailer onboarding and further expansion of RVM installations and service activities.
- Portugal's DRS went live in April 2026, following extensive preparatory activities and increasing retailer engagement during 2025.
- Greece confirmed implementation of a national DRS with a planned start during 2026, with scheme design and operational preparations advancing during the year.
- In the UK, regulatory developments during 2025 confirmed a coordinated, UK-wide DRS launch on 1 October 2027, providing improved long-term planning visibility.

Together with ongoing demand for modernization in existing DRS markets in Europe and North America, these developments increase visibility over upcoming installation programs and service activity. In early-stage markets, revenue is expected to be weighted towards RVM sales during rollout and warranty periods, with a gradual shift towards recurring service revenues as the Company's installed base matures. The timing and phasing of deployments remains dependent on national implementation decisions, retailer procurement schedules, and manufacturing throughput, which may cause quarter-to-quarter variability.

Strategy, investment and execution priorities

Envipco's strategic priorities remain unchanged: to execute reliably on upcoming national launches, scale production and field service capacity efficiently, and continue strengthening technology, processes and governance to enable disciplined and sustainable growth.

Planned investments for 2026 include market development ahead of DRS go-lives, further enhancements to product and software platforms, and selective capacity expansion to support a growing installed base. These investments are phased, closely aligned with firm customer commitments, and linked to regulatory timelines. To deliver the contracted and anticipated pipeline, Envipco expects a moderate increase in headcount across production, field service, technology and governance functions, with particular emphasis on compliance, sustainability, IT and risk management, including further maturity of CSRD-related frameworks.

Since initiating its expansion strategy in 2021, the Company has targeted achieving greater than 30% market share in new greenfield markets, improving gross margins towards approximately 40%, and benefitting from step-up revenue as DRS deployments expand. Envipco is delivering on its market share ambitions, is approaching its margin targets, and expects upcoming market launches to further underpin long-term growth in a multi-billion-euro addressable market.

Governance, capital markets and leadership transition

During 2025, Envipco continued to strengthen its presence in the financial markets, including increased share liquidity, the Company’s first Capital Markets Update, and participation in multiple investor conferences and roadshows.

The Board extends its gratitude to Simon Bolton, who stepped down as Chief Executive Officer as of 30 April 2026, for his contribution over a period of significant transformation, during which Envipco evolved from a largely US-centric business into a stronger European-focused organization. The Board would also like to welcome Ms. José Matthijsse as our new Chief Executive Officer who joined the Company on 18 May 2026. The Board thanks all Envipco employees, alongside customers, partners, suppliers and shareholders, for their continued commitment and support.

The Board remains fully committed to supporting management in strengthening Envipco sustainably, advancing organizational capabilities, and further maturing governance, compliance, IT infrastructure and CSRD-related processes. Events after the balance sheet date assessed to date have not materially changed management’s outlook for 2026.

Envipco enters the coming years with confidence in its strategy, technology, people and positioning, and with a clear focus on execution as global DRS adoption accelerates.

Gregory Garvey
Chairman of the Board

Financials and Operational Developments

Financials

in € millions	2025	2024
Continuing Operations		
Revenues	90.3	114.0
Gross Profit	30.2	42.3
Gross profit %	33.4%	37.1%
Operating profit/(loss)	(7.6) [1]	3.7 [1]
Total profit / (loss) attributable to owners of the parent	(10.7) [1]	(3.0) [1]
EBITDA [2]	1.1 [1]	11.9 [1]
Earnings/(loss) per share in €	(0.18)	(0.05)
Equity		
Shareholders' equity	103.5	65.2
Liquidity ratio [3]	2.5x	1.8x
Assets		
Total Assets	160.0	135.9

1) Total profit/(loss) for 2025 includes €3.8 million, of which €4.0 million in income-expenses, from revaluation of the Sensibin contingent consideration (2024: €0.3 million), with 2024 attributable to €0.3 million from cancellation and resale of UK inventory.
2) EBITDA, not being a defined performance measure in IFRS, is defined in the Other Information section of this report.
3) Calculated by dividing current assets by current liabilities.

Results

Revenues

Company revenues were €90.3 million in 2025, representing a 21% revenue decline from €114.0 million in 2024. European revenues decreased 30% to €56.0 million, comprising 62% of Company revenues, compared to 70% in 2024. North American revenues remained stable at €34.3 million.

The 2025 revenue decline was mainly related to lower RVM sales, which declined 30% to €54.0 million from €77.5 million in 2024. European RVM sales were down 34% from €74.1 million to €49.0 million due to timing of key markets such as Greece, Poland and Portugal driving lower than anticipated sales. Romania was the Company's largest European market followed by Hungary in 2025, and the Company generated new revenues from the Netherlands, France, Poland and Portugal. The year-over-year decrease in the European market was partly offset by North American RVM sales that increased 47% from €3.4 million in 2024 to €5.0 million in 2025, mostly driven by the introduction of the Quantum bulk machine generating positive momentum.

Revenues from program services were €36.4 million in 2025, remaining fairly in line with €36.5 million in 2024. In North America, program services revenues decreased 5% to €29.3 million mainly due to decrease in commodity prices, especially for plastics, with collection volumes staying stable compared to 2024.

European program services continued to make up a smaller share of the region's revenues but grew 27% to €7.1 million in 2025, mainly driven by service and maintenance contracts taking effect for the Company's installed base in Romania and Hungary with new RVMs being installed in the Netherlands, France, Poland and Portugal. The Company generates limited service revenues during DRS startup and warranty periods.

Profit & Costs

Gross profit decreased 29% to €30.2 million in 2025 with gross profit margins decreasing to 33.4% from 37.1% in 2024. The decrease in gross profit margins is mainly caused by the lower capacity utilization at the factories from lower-than-planned demand execution resulting from market timing, combined with up-front investments in our service organizations in new markets in anticipation of installation and maintenance services.

Operating expenses excluding other income and expenses were €41.8 million in 2025, an increase of €3.1 million, or 8%, from €38.7 million in 2024. The increase is predominantly driven by critical investments to support business growth covering commercial, services and production, strengthening the organization for increasing demands and regulations through enhanced IT systems, key headcount and process improvements, as well as market development costs related to new market opportunities. Headcount increased by 76 during 2025 from 455 at year-end 2024 to 531 at year-end 2025.

Operating profit in 2025 was -€7.6 million compared to €3.7 million in 2024, with operating margin rate decreasing from 3.2% in 2024 to -8.4% in 2025. The drop in profit is mainly driven by the unfavorable fall through effect from the decrease in year-over-year RVM revenues, combined with key investments in growth markets and strengthening the organization to scale for the new growth opportunities. Financial items were a net expense of -€2.4 million in 2025 (2024: -€3.0 million), mostly driven by net interest expense of -€2.6 million (2024: -€1.8 million), which was partly offset by net foreign exchange gains of €0.2 million (2024: -€1.2 million).

EBITDA in 2025 was €1.1 million, down 90% from €11.9 million in 2024. EBITDA margins decreased from 10.4% in 2024 to 1.3% in 2025.

Results before tax in 2025 were -€10.0 million, with net results of -€10.7 million. The Company is in a taxable position in selected markets in 2025 and is in the process of reshaping its internal processes and flows to further improve its tax positions. In 2024, reported results before tax were €0.7 million with net results at -€3.0 million.

Cash flow

Cash outflow used in operating activities totaled €5.3 million in 2025 compared to €4.1 million in 2024. The adverse result in 2025 was the result of a € 1.1 million positive EBITDA offset by -€4.5 million net impact from working capital movements. The unfavorable change in working capital is mainly driven by the reduction in accruals compared to 2024 related to the Sensibin liability and lower trade payables partly offset by collections and advance payments from customers.

Net interest related to external borrowing amounted to €2.5 million in 2025 versus €1.1 million in 2024. The increase is driven by capital movements and €0.2 million accrued contingent consideration. Corporate income taxes paid amounted to €0.9 million in 2025 compared to €1.4 million in 2024.

Cash outflow used in investing activities was €7.0 million in 2025 compared to €10.3 million in 2024. Capitalized internal product development and IT investments for the Company's global ERP rollout totaled €2.3 million in 2025. This increased from €1.5 million in 2024, driven by additional product development investments.

The Company invested €1.5 million in acquired technology related to the Sensibin acquisition in 2024. There were no acquisitions in 2025.

Investments in property, plant and equipment amounted to €4.7 million in 2025, compared with €7.3 million in 2024. The capital expenditure was primarily driven by €3.1 million leased equipment deployed at customer locations (2024: €6.5 million) with the remaining investments in plant machinery, vehicles and equipment.

Net cash flow from financing activities was €42.3 million in 2025. In 2024, net cash flow from financing activities was €32.6 million. Net proceeds from the private share placement in September 2025 were €51.6 million. In 2025 the Company had a net decrease in borrowings of €6.9 million compared to a net increase of €9.8 million in 2024. The net reduction in 2025 is mostly due to closed credit lines in the US and Romania partly offset by the new credit facility entered into with ABN AMRO NV. In addition, the Company had a cash out related to capitalized lease liabilities of €2.4 million (2024: € 1.9 million).

The net cash improvement for 2025 was €30.1 million compared to a cash increase of €18.3 million in 2024.

Liquidity, capital structure and financing

At the end of 2025, Envipco had total assets of €160.0 million, up from €135.9 million at the end of 2024. Non-current assets of €41.2 million in 2025 (2024: €42.0 million) mainly consisted of property, plant and equipment and capitalized technology. Property, plant and equipment of €24.0 million in 2025 (2024: €23.7 million) is mainly comprised of €11.8 million leased RVMs at customer locations, plus owned and leased properties of €7.6 million. Intangible assets at the end of 2025 amounted to €14.1 million (2024: €14.9 million), consisting of internal product development of €7.2 million, acquired technology of €4.8 million related to the Sensibin acquisition, and capitalized information technology investments related to the global ERP rollout of €1.9 million.

Gross working capital decreased to €58.9 million at the end of 2025 (2024: €63.2 million) due to lower activity levels. Trade receivables decreased to €26.7 million at the end of 2025 (2024: €34.3 million) driven by decreased commercial activity. Inventories were €29.4 million at the end of 2025, a €0.5 million increase compared to 2024 related to work-in-progress.

Total equity was €103.5 million at year-end 2025, corresponding to an equity ratio of 65%. This compares to equity of €65.2 million and an equity ratio of 48% at year-end 2024.

Envipco had borrowings of €18.8 million at year-end 2025. The Company repaid its borrowings in Romania and the US during 2025 and entered a new revolving credit facility in the Netherlands to secure funding for future growth at a favorable interest rate. Combined with a cash position of €59.9 million, this resulted in net debt, defined in the Other Information section of this report, of -€41.1 million at year-end 2025. At year-end 2024, total borrowings were €26.9 million. Combined with a cash position of €30.7 million, this resulted in a net debt of -€3.8 million.

Trade creditors were €15.1 million at year-end 2025, a slight reduction from €16.5 million in 2024. Accrued expenses were €9.9 million at year-end 2025 compared to €11.1 million in 2024.

Liquidity position

At year-end, the Company maintained a strong liquidity position with EUR 59.9 million in cash and cash equivalents at hand and access to a committed EUR 10 million revolving credit facility ("RCF"). The Company's available liquidity is primarily the result of the equity capital raise completed in August 2025, which increased cash resources and supported the Company's funding requirements and liquidity planning for the forecast period. On this basis, liquidity risk is currently considered limited, and the

Company has adequate financial headroom to absorb timing volatility in cash inflows associated with market launches and ramp ups.

Further, management prepared EBITDA and cash flow forecasts covering the period to September 2027 and performed scenario analyses reflecting reasonably possible downside developments. These forecasts are inherently subject to uncertainties, including assumptions regarding the timing and scale of implementations of regulated DRS schemes such as Poland (live in October 2025), Portugal (live in April 2026), and the United Kingdom (expected to go live in October 2027), and other market opportunities. These uncertainties are also relevant to forecast covenant calculations, as covenant compliance depends on the expected timing and phasing of revenues, EBITDA generation and related cash flows. As a result, there is a risk that, specifically for the financial year 2026, actual performance may differ from forecast assumptions to such an extent that the applicable covenants are not met again, which would constitute a breach of the financing arrangements for 2026.

Under all scenarios assessed, the Company is expected to have sufficient liquidity to meet its obligations as they fall due given the cash available and access to the RCF.

Covenant compliance

At 31 December 2025, the Company was not in compliance with one of its three financial covenants, being the Debt Service Coverage Ratio (DSCR), while remaining compliant with the other covenants. The shortfall followed primarily reflects timing effects, with revenues deferred into 2026 while associated costs were incurred ahead of market rollouts, resulting in a lower EBITDA outcome in 2025.

Following the breach, the Company engaged with its lenders and obtained formal waivers in April 2026, after the balance sheet date but prior to the approval of the annual report. The waivers did not result in any amendment to the covenant levels or any other material terms of the financing arrangements.

Envipco's growth is driven by the rollout of DRS across Europe under PPWR, supporting increased demand for its solutions. However, as implementation timing is outside the Company's control, quarterly results are inherently volatile, particularly during market launches. In assessing the Company's ability to continue as a going concern, management considered the covenant breach, the waivers obtained, the Company's liquidity position, available committed financing and its forecasts for EBITDA and cash flow development.

These forecasts indicate an expected return to covenant compliance; however, they are inherently subject to uncertainty, as they depend on future market developments and the timing of rollout activities.

Based on this assessment, management has concluded that the covenant breach does not give rise to a material uncertainty that would cast significant doubt on the Company's ability to continue as a going concern. Further information is included in Note 1.

Operational developments

North America

North America delivered revenues of €34.3 million in 2025, in line with 2024. Machine sales amounted to €5.0 million in 2025 (2024: €3.4 million), an increase of 47% mainly driven by the introduction of the Quantum machine. Program services revenues were €29.3 million in 2025 (2024: €30.9 million), down 5% due to lower commodity prices, especially for plastics.

Europe

European sales in 2025 were €56.0 million, a decrease of 30% compared to 2024, largely driven by market timing in Portugal and Poland, with Greece postponing further installations awaiting the implementation of a DRS system. As a result, machine sales amounted to €49.0 million in 2025 (2024: €74.1 million), a decrease of 34%. Program service revenues in Europe increased 27% to €7.1 million in 2025, driven by a larger installed base and related service and maintenance activity, predominantly driven by Romania and Hungary installed RVMs.

Research and development

In 2025 we focused research and development (R&D) on optical recognition, sensor accuracy, and modular platform architecture to improve reliability and throughput in high volume retail environments. We also advanced remote diagnostics and firmware over-the-air capabilities to shorten service cycles and reduce lifetime cost of ownership for customers. These programs underpin our ability to scale with upcoming DRS rollouts and support margin expansion through a more efficient installed base.

As part of these R&D efforts, the Company made limited use of artificial intelligence and advanced analytics techniques, alongside rule-based processing, to support image recognition accuracy, system diagnostics and machine performance monitoring, subject to established governance controls and human oversight.

Non-financial performance indicators and linkage to financial performance

In accordance with Section 391(1) of Book 2 of the Dutch Civil Code and RJ 400.104, the Board considers both financial and non-financial performance indicators that are relevant to understanding the development, results and financial position of Envipco. Sustainability-related policies, risks and performance indicators are presented in the Sustainability and EU Taxonomy section of this report and form an integral part of the Company's overall performance assessment.

Non-financial factors such as the expansion of DRS across Europe, regulatory developments, operational scalability and workforce capabilities directly influence Envipco's revenue growth, cost structure and profitability, and are therefore considered alongside financial metrics in the analysis of performance and results as set out above.

EBITDA is used by the Board as a key performance indicator to assess Envipco's underlying operating performance by excluding depreciation and amortization. The reconciliation from operating result to EBITDA is included in the Other Information section of this annual report.

Sustainability & EU Taxonomy

This section constitutes Envipco's Non-Financial Statement in accordance with the Dutch Decree on Disclosure of Non-Financial Information. It summarizes our business model; the policies and due diligence processes covering environment, social and human resources, respect for human rights and anti-corruption and bribery; the results of these policies; non-financial key performance indicators (KPI); and the principal environmental, social, and governance (ESG) risks and how we manage them.

ESG at Envipco in 2025

Plastic pollution is a persistent and unsightly problem for us and our environment. It is seen every day in streets, rivers, beaches, and oceans. Even though many people are more conscientious with their waste, beverage containers are among the most common items found in litter worldwide. When they are not collected properly, valuable materials are lost, ecosystems are damaged, and plastics persist in the environment for centuries. In the US, NAPCOR estimates plastic bottle collection well below 30%, while in the EU Eurostat calculates plastic packaging recycling to be slightly above 40%. This means most plastic bottles are not effectively collected or recycled.

Envipco strives to change that reality. By making it easy, reliable, and rewarding for people to return beverage containers, Envipco helps prevent bottles and cans from becoming waste in the first place, instead enabling their use as recycled material that can be used again and again. Every container returned through an Envipco system is one less item in landfill, one less piece of litter, and one more step toward a truly circular economy; one in which Envipco supports the EU's aims to recycle 90% of plastic bottles by 2029.

In 2025, Envipco decided to volunteer its double materiality approach to clearly explain its environmental impacts, risks, and opportunities. This included planning disclosures on how Envipco's technologies reduce litter, support lower-carbon material cycles, and how we manage our own footprint across manufacturing, sourcing, and operations. Rather than treating sustainability as a compliance exercise, Envipco approaches reporting as a means of transparency, accountability, and honesty about both impact and ambition. By sharing our double materiality assessment (DMA) and Climate Risk Assessment in 2025, Envipco demonstrates that its commitment to the environment is not driven by regulation alone, but by a belief that businesses who benefit from the circular economy have a responsibility to help build it.

Though our environmental commitment is not driven solely by regulation, the content and manner of reporting is. Therefore, as of early 2026, Envipco awaits clarity and adoption of the CSRD which has not yet been transposed into, nor implemented, under Dutch law.

Furthermore, before publishing any sustainability statement on a voluntary basis Envipco awaits a Delegated Act of the Draft Simplified 2025 European Sustainability Reporting Standards (ESRS) as issued by the European Financial Reporting Advisory Group to the European Commission since the proposed changes represent a significant change to the composition of sustainability statements.

Climate risk

Physical risk assessment

Envipco previously assessed physical climate risks using Climate Analytics' Climate Impact Explorer, applying scenarios from the Intergovernmental Panel on Climate Change (IPCC) to model exposure to climate-related hazards. The analysis considered peril-specific hazards (e.g., flooding and one-in-100-year storm frequency) under the Net Zero 2050 and Below Two Degrees Celsius scenarios. In 2025, this assessment was updated to reflect the Company's expanded operations in Europe.

Physical risks are assessed through objective definition, exposure identification, vulnerability calculation, and impact analysis, with results informing potential adaptation actions. The assessment focuses on Envipco's critical operational sites in Naugatuck, Connecticut, US; Osnabrück, Germany; Sebeș, Romania; and Koropi, Greece, which are considered essential for business continuity. The hazards evaluated include drought, heat stress, wildfire, precipitation, river flooding, tropical cyclones, cold stress, sea level rise, and other chronic climate risks.

To evaluate exposure, a two-step approach was applied. First, a hotspot analysis using the Natural Hazards Assessment Network (NATHAN) tool identified the potential future likelihood of climate risks becoming material. Second, this analysis was supplemented with site-specific insights gathered through stakeholder engagement, where internal experts assessed the potential impacts and effectiveness of existing controls under a hypothetical worst-case scenario. The results enabled a quantitative assessment of each site's exposure to climate-related hazards, with risk scores subsequently aggregated at the Company level.

From an acute risk perspective, the assessment indicates that Sebeș, Romania, and Naugatuck, US, require particular attention, as these sites show relatively higher risk levels across multiple time horizons, primarily associated with cold stress. However, according to the NATHAN analysis, the likelihood of this risk is expected to decrease over time. From a chronic risk perspective, none of Envipco's sites are expected to face material exposure to sea level rise, and exposure to long-term climate shifts (e.g., changes in average temperatures) remains limited.

Envipco has implemented control measures across its facilities to manage identified climate risks. The analysis indicates that all risks categorized as very high likelihood are addressed by mitigation measures with at least medium effectiveness, demonstrating a structured approach to climate adaptation and operational resilience. These results support Envipco's conclusion that its facilities are adequately prepared to manage foreseeable climate-related physical risks.

Transition risk & opportunity assessment

To support a smooth and gradual transition, Envipco monitors potential transition-related risks and opportunities and their potential impact on operations. Conducting a transition risk and opportunity assessment enables the Company to navigate a rapidly evolving regulatory and market environment shaped by sustainability and circular economy requirements, while also identifying opportunities that may strengthen Envipco's strategic position.

Through this assessment, Envipco aims to maintain compliance with emerging regulations, adapt its business strategy, minimize potential financial disruption, and respond to growing demand from sustainability-focused customers and investors. Based on the results of the DMA, only one transition-related opportunity was identified as material to Envipco: O2 – Increased product demand driven by greater focus on collection and recycling systems.

Envipco's only material risk or opportunity is the rapid expansion of DRS across the European Union, driven by increasingly stringent packaging and recycling regulation. The EU's Single-Use Plastics Directive and the PPWR establish legally binding targets for beverage container collection, requiring Member States to collect 77% of single-use plastic bottles by 2025 and 90% by 2029. To achieve these targets, EU legislation requires countries to introduce DRS for plastic bottles and metal beverage containers up to three liters unless equivalent collection rates can already be demonstrated.

These regulatory requirements represent a high-likelihood and high-magnitude transition opportunity for Envipco over the next one to five years. Many EU Member States currently lack nationwide DRS infrastructure or are in early phases of implementation. As governments move to comply with EU collection targets, they must rapidly deploy large-scale container return infrastructure, including RVMs in supermarkets, retail locations, transport hubs, and dedicated return centers. DRS are widely recognized as the most effective mechanism to achieve high recycling rates and produce high-quality recycled materials streams, which further accelerates adoption. For Envipco, whose core business model centers on the development and deployment of RVM technology, these regulatory developments are expected to drive significant growth.

CSRD

Building off our 2024 commitments to prepare for transparent sustainability reporting, Envipco presents the results of its DMA.

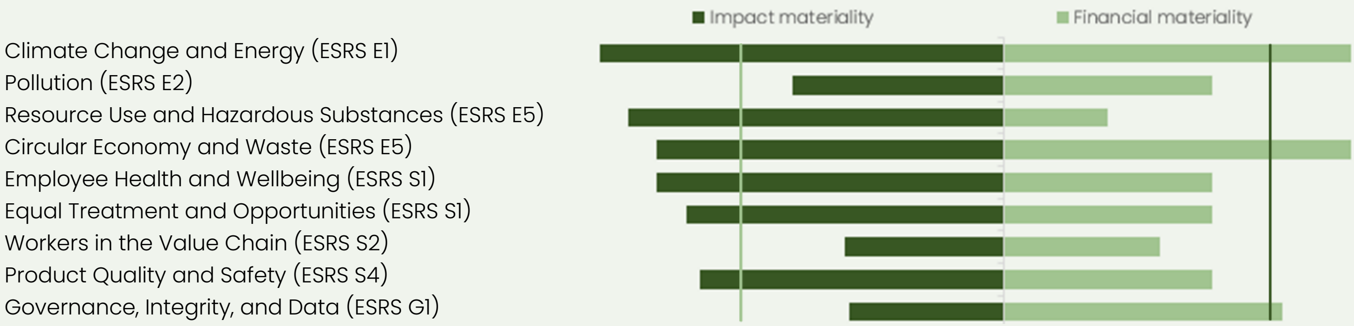
Double materiality assessment

To better understand where sustainability truly matters most for Envipco, we carried out our first DMA in line with the CSRD and the July 2023 ESRS. This process helped us define the scope of our sustainability reporting and, more importantly, reflect on how our business both affects, and is affected by, the world around us. Because materiality is not something we can define in isolation, the DMA was designed as a multi-stakeholder process, drawing on insights from across our value chain.

The DMA looks at sustainability from two perspectives: how societal and environmental developments influence Envipco's financial performance, and how Envipco's activities impact society and the environment. Through this lens, we identified the ESG topics that matter most, those that are most relevant to our business and most important to the stakeholders we work with, such as resource use and the circular economy. Our assessment was evidence-based and informed by a wide range of sources, including input from suppliers, customers, industry peers, and publicly available data spanning 25 countries. We began with a broad list of potential sustainability topics, which we refined through internal interviews with subject-matter experts.

This resulted in a focused shortlist of 21 key topics, mapped across Envipco's value chain and clustered to avoid overlap. For each topic, we assessed related impacts, risks, and opportunities, considering both positive and negative effects, most of which were identified as actual rather than potential. These assessments were based on the scale and scope of impacts, dependencies on natural, human, and social resources, and the likelihood and potential financial significance of risks and opportunities. The final outcomes were reviewed and validated by Envipco's business leaders and experts, with external specialists involved to ensure robustness and objectivity.

We determined the financial and impact materiality of the nine topics (clustered from 21) with the DMA Project Team, a collection of internal experts from all business areas and sustainability and enterprise risk management.



Results

Following the DMA, five ESRS topical standards; Pollution (E2), Water and Marine Resources (E3), Biodiversity and Ecosystems (E4), Workers in the Value Chain (S2), and Affected Communities (S3) were assessed as immaterial to Envipco's business model and strategy under the European Sustainability Reporting Standards. In addition, the sub-topic Waste within ESRS E5 Resource Use and Circular Economy was determined to be not material, as Envipco's operations do not generate or process waste in volumes that would materially affect the Company's business model or strategy. Furthermore, Envipco did not conduct separate consultations with affected communities, as existing stakeholder engagement processes were considered sufficient. The DMA results were calibrated through internal review sessions and approved by the Board of Directors, the executive management team, and the DMA project team.

During review, the financial materiality of several social topics increased compared with the initial assessment. Own Workforce (S1) showed the largest increase, followed by Consumers and End-Users (S4). Among environmental topics, Climate Change (E1) and Resource Use and Circular Economy (E5) were assessed as having the highest financial materiality. Envipco has not identified any actual material sustainability-related risks or opportunities expected to have a financial effect on the Company's financial position, cash flows, or the carrying value of assets and liabilities within the next annual reporting period. The identified material topics are monitored regularly as part of Envipco's sustainability governance and risk management processes.

The 2025 DMA informs the development of Envipco's ESG program by enabling Envipco to prioritize and address material impacts, risks, and opportunities through its policies, programs, targets, and actions.

Material topics

For the 2025 reporting year, Envipco reports on ESRS E1 (Climate Change), ESRS E5 (Resource Use and Circular Economy), ESRS S1 (Own Workforce), ESRS S4 (Consumers and End-Users), and ESRS G1 (Business Conduct). The accompanying tables provide an overview of the impacts, risks and opportunities (IROs), related policies and metrics, and their relevance across the value chain.

ESRS E1 Climate Change

IROs	Material Negative and Positive Impact, Material Opportunity	
Description and Time Horizon	○●○ As a company, Envipco has a negative impact of greenhouse gas (GHG) emissions in own operations and in the value chain that contributes to climate change. ●○○ Envipco has a positive impact of avoided/reduced GHG emissions caused by reduced incineration and landfill of beverage containers ●○○ Envipco has a positive energy efficiency impact caused by energy improvements and renewable energy use in own operations ●●○ Envipco is exposed to both acute and chronic physical and transitional risks which can lead to disruptions in Envipco's operations, supply chain, and increased costs. ○●● Envipco has opportunities to reduce operating costs through improvements in energy efficiency and reductions in fossil fuel use. In addition, the increasing policy and societal emphasis on recycling is expected to drive higher demand for Envipco's products, as regulatory developments and shifts in customer behavior continue to support the adoption of deposit return and recycling systems.	
Policies	Environmental Policy	
Status	Reporting framework measurements and IRO assessment	
Metrics	E1-5 Energy Consumption and Mix E1-6 Gross Scopes 1, 2, 3 and Total GHG Emissions	
Value Chain	▲■▼	
Target Info*	KPI	Unit of measure
	• Renewable energy in our operations	• % of energy from renewable sources
	• Scope 1 & 2 emissions	• Kilotons CO_2-e
	• Scope 3 emissions	• Kilotons CO_2-e
	• % of suppliers committed to Science Based Targets	• %

*Envipco is considering appropriately aligned targets that comply with Science Based Targets initiative guidelines and expectations

Legend	Time Horizon[1]:	●○○ Short	○●○ Medium	○●● Long
	Value Chain:	▲□▽ Upstream	△■▽ Own	△□▼ Downstream

1) Time Horizons are: Short 0-1 years, Medium 1-5 years, and Long 5+ years

ESRS E5 Resource Use and Circular Economy

IROs	Material Positive and Negative Impacts, Risk and Opportunity	
Description and Time Horizon	●○○ Envipco has a negative impact on resource depletion caused by the extraction of raw materials for RVMs ○●○ Envipco has a negative impact on consumer health caused by exposure to hazardous substances in vending machines. ○○● Envipco has a negative impact on pollution and resource loss caused by operational waste sent to incineration and landfill. ●○○ Envipco has a positive impact of preventing resource depletion caused by reusing and refurbishing RVMs at the end of product lifecycle ●○○ Envipco has a positive impact of recovery of materials going through RVMs, leading to higher collection and recycling rates reducing littering within a circular economy. ●●○ Envipco is exposed to increased costs risk through resource scarcity of nonrenewable materials and inefficient waste management, including increasing landfill regulation. ○●○ Opportunity for increased market share, revenue, and/or competitiveness by innovating or expanding improved sorting capabilities while handling a broader range of recyclables. New business opportunity is instigated by changing regulations on the products that fall under return deposit systems.	
Policies	Environmental Policy	
Status	Reporting framework measurements and IRO assessment	
Metrics	E5-4 Resource Inflows E5-5 Resource Outflows	
Value Chain	▲■▼	
Target Info*	KPI	Unit of measure
	• Circular Revenues • Closing the Loop • Zero Waste to landfill as a percentage of total regular waste • Hardware Circularity • Circular Revenues • Circular Materials Management	• % Total Revenues • Systems • % • % • % Total Revenues • %

* Envipco is considering appropriately aligned targets based off 2025 performance results

ESRS S1 Own Workforce

IROs	Material Negative and Positive Impact	
Description and Time Horizon	●○○ Envipco has a negative impact on employee health due to exposure to physical risks in facilities ●●○ Envipco has risk of reputational damage due to health and safety incidents and non-compliance with standard working conditions affecting employee attraction and retention. ○●○ Envipco has a negative and positive impact on employee wellbeing by (not) providing employees with a fair and equal workplace. ○●○ Envipco has a positive impact on talent development caused by providing equal opportunities in personal and professional training. ○●○ Envipco has a risk of unmotivated employees (lack of retention) or lack of attraction of new employees, by having a reputation as an employer not providing equal treatment for all. ●○○ Envipco has opportunities for higher productivity and talent attraction and retention by leveraging a diverse workforce and creating an environment where all employees have equitable opportunities and offering and inclusive workplace.	
Policies	Code of Conduct, Diversity & Inclusion	
Status	Reporting framework measurements and IRO assessment	
Metrics	S1-6 Characteristics of the undertaking's employees S1-9 Diversity Metrics S1-8 Collective Bargaining coverage and social dialogue S1-10 Adequate Wages S1-11 Social Protection S1-12 Persons with disabilities S1-13 Training and Skills Development Metrics S1-14 Health and Safety Metrics S1-15 Work-life Balance Metrics S1-16 Compensation Metrics (pay gap and total comp.) S1-17 Incidents, Complaints, and Severe human Rights Impacts	
Value Chain	△■▽	
Target Info*	KPI	Unit of measure
	• Women in leadership positions • We pay at least a living wage • Total Recordable Case rate • Training Hours per Employee • Human Rights Impact Assessments	• % of senior management positions • % • Total Recordable Cases per 100 • Hours • %

*Envipco is considering appropriately aligned targets based off 2025 performance results

ESRS S4 Consumers and End-Users

IROs	Material Positive Impact
Description and Time Horizon	●○○ Envipco has a positive impact on user experience and reduced risk of malfunctions and accidents by developing safe products. ○●○ Envipco has a positive impact on customer trust and their reputation by developing high-quality and innovative products. ○●○ Envipco has a negative impact on customer IT systems through breaches in Envipco's cyber security, serving as a backdoor for hackers. ●○○ Positive impact on community waste management systems and the circular economy from reliable recycling solutions leading to more effective resource recovery. ○●○ Envipco has both risk and opportunity from changing regulations for safety and user standards for RVMs thus posing an obligation to change or adapt the design of products. This could result in reduced or increased competitiveness and therefore a loss or gain in market share. ○●○ Envipco has an opportunity for improved reputation, customer retention/attraction and brand enhancement from delivering superior product quality and safety and innovation. This increases customer trust and satisfaction. ○○● Risk of reputational damage caused by product recalls for hazardous substance contamination, leading to financial losses. ●○○ Risk of fines from non-compliance regarding pollution or hazardous substance regulations.
Policies	Code of Conduct
Status	IRO assessment
Disclosure Requirements	S4-4 Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions.
Value Chain	△□▼

*Envipco has opted not to establish targets for this topic

ESRS G1 Business Conduct

IROs	Material Risk
Description and Time Horizon	●○○ Negative impact on internal and external stakeholder privacy from data breaches. ●○○ Negative impact on investors' reputation caused by unethical governance practices, adherence to ethical standards and compliance with laws and regulations. ●○○ Negative impact on supplier and customer financial well-being caused by unethical business practices. ●○○ Envipco has a wide range of risks which would damage reputation, trust, investor confidence, and stakeholder relationships, due to financial penalties and other legal consequences for failing to comply with legal and regulatory requirements, unethical business practices, and/or unsecured data systems. ●○○ Risk of high operational & interest costs due to IT breaches. ●○○ Risk to employee morale caused by unethical or inadequate governance practices.
Policies	Code of Conduct, Whistleblower
Status	IRO assessment
Disclosure Requirements	G1-1 Corporate Culture and Business Conduct Policies G1-3 Prevention and Detection of Corruption and Bribery G1-4 Confirmed Incidents of Corruption or Bribery G1-6 Payment Practices
Value Chain	▲■▼

*Envipco has opted not to establish targets for this topic

The policies mentioned above apply across Envipco and all its businesses, regions, and functions. The Board is responsible for defining Envipco's ESG strategy, commitments, programs, action plans, and policies. The Board also oversees major decisions, monitors progress against ESG priorities including the implementation of due diligence and takes corrective action where necessary.

In addition to the DMA process where we specifically consult affected stakeholders regarding inputs to the materiality assessment, Envipco also engages our key stakeholders throughout the year, which helps deliver on our key ESG commitments: to be transparent about our plans, activities, targets and results.

Stakeholder Group & Rank	Outreach Method	Discussion Outcomes
Envipco (board and management) 1. Key Player	Validation sessions Several board members are included in the project team	Relevant topics derived are climate change & energy, biodiversity, pollution & hazardous substances, circular economy & waste. Material topics are Governance, integrity & data
Investors & Shareholders 1. Key Player	By proxy, report from investor/shareholder communications	Relevant topics derived were climate change & energy, biodiversity, pollution & hazardous substances, circular economy & waste. Material topics are governance, integrity & data, and resource use (materials & water)
Suppliers 1. Key Player	Interview with key supplier: SEW	Relevant topics derived were climate change & energy, biodiversity, pollution & hazardous substances, circular economy and waste. Material topics are resource use (materials & water), and workers in the value chain.
Envipco Employees 1. Key Player	Internal representation by Filomena Cionti, Chief Human Resources Officer and Larissa Piora, HR Director, Germany	Relevant topics derived were climate change & energy, biodiversity, pollution & hazardous substances, circular economy & waste. Material topics are Employee health & wellbeing, and equal treatment and opportunities
Customers 1. Key Player	Interview with key customer: DRS operator Malta	Relevant topics derived were climate change & energy, biodiversity, pollution & hazardous substances, circular economy & waste. Material topics are product innovation, quality & safety, and workers in the value chain.
Governments (US & EU) 2. Context Setter	By proxy, report from Reloop/Eunomia	Relevant topics derived were climate change & energy, biodiversity, pollution & hazardous substances, and circular economy & waste. Material topics are resource use (materials & water)
DRS System Operators 2. Context Setter	Interview with key system operator: Sweden	Relevant topics derived were climate change & energy, biodiversity, and pollution & hazardous substances. Material topics are governance, integrity & data, and circular economy & waste
NGOs 2. Context Setter	By proxy, report from Reloop/Eunomia	Relevant topics derived were climate change & energy, biodiversity, and pollution & hazardous substances. Material topics are circular economy & waste

Stakeholder Group & Rank	Outreach Method	Discussion Outcomes
Workers in the Value Chain 3. Subject	Through representation; Upstream: Interview with key supplier, Downstream: Interview with key customer	Relevant topics derived were climate change & energy, biodiversity, pollution & hazardous substances, circular economy & waste. Material topics are workers in the value chain.

Sustainability outlook

In preparation for eventual disclosures, Envipco continues to proactively integrate CSRD principles into our sustainability framework, while contextualizing our policies, actions, metrics, and targets according to ESRS Mandatory Disclosure Requirements as they develop.

EU Taxonomy

The EU Taxonomy is a classification system, establishing a list of environmentally sustainable economic activities, to help both investors and companies gain insights into whether their economic activities can be considered environmentally sustainable. It is built upon the EU Green Deal targets and objectives and aims to shift capital flows towards more sustainable investments in the EU.

A company's activity only aligns to the EU Taxonomy when: (1) It is 'eligible' (i.e. the economic activity is covered by the EU Taxonomy); and when (2) It 'substantially contributes to' (at least) one of the six environmental objectives (i.e. climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, protection and restoration of biodiversity and ecosystem), (3) 'does not harm the other objectives'; and (4) the Company itself 'meets the minimum social safeguards.'

In their annual reporting, companies should reflect on the eligibility and alignment of their activities in terms of their Turnover, Operational Expenditure and Capital Expenditure. Listed and large companies that are not currently mandated to report under the scope of the Non-financial Reporting Directive (such as Envipco) are expected to report for the first time in 2028 (for the financial year 2027).

The Company’s activities’ eligibility and alignment with EU Taxonomy in 2025

Currently, the alignment of eligible activities with the EU Taxonomy is 0%. This was mainly because the documentation that is required to support the requirements of the assessment has not yet been formalized. Adherence to the Minimum Safeguards is ingrained within the Company’s DNA and culture. However, policies must be formalized in writing to fulfil alignment with EU Taxonomy requirements. The assessment was helpful to identify the information and procedural gaps to demonstrate future alignment, and to identify the necessary actions to address them in the coming years.

According to Directive 2013/34/EU large companies or large undertakings are defined as those meeting two of the following criteria (over two consecutive financial years): a net turnover of more than €50 million, a balance sheet total of more than €25 million and have more than 250 employees on average.

Double counting of Turnover, capital expense, and operating expense is avoided through the inherent segregation of our business activities. The identified material EU Taxonomy activities are each linked to different business activities from Envipco (one-to-one matches).

Plans for the upcoming years

In 2028, it may be mandatory for the Company to report on the EU Taxonomy over financial year 2027. The Company will strive to improve processes that can contribute to more alignment to the EU Taxonomy. Through the introduction of a new ERP, more insights into Turnover, capital expense, and operating expense streams will be realized. This will allow us to segregate these monetary flows, such that it may be possible to more accurately allocate them to activities identified within the EU Taxonomy.

Turnover

				Substantial Contribution Criteria						Does Not Significantly Harm' Criteria									
Economic Activities (1)	Code (2)	Absolute Turnover (3)	Proportion of Turnover (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and Ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Taxonomy aligned proportion of total turnover, year N (18)	Category (enabling activity) (20)	Category (transitional activity) (21)
		Thousands EUR	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N		E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES			**85%**																
A.1. Environmentally Sustainable Activities (Taxonomy-aligned)																			
Turnover of Environmentally Sustainable Activities		**-**	**0%**														**0%**		
Of which Enabling		**-**	**0%**														**0%**	**E**	
Of which Transitional		**-**	**0%**														**0%**		**T**
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Manufacture of electrical and electronic equipment	C26	60.533	67%																
Collection and transport of non-hazardous waste in source segregated fractions	E38.11	8.134	9%																
Product-as-a-service and other circular use- and result- oriented service models	C26	7.228	8%																
Turnover of Taxonomy-eligible but not		**76.796**	**85%**																
Total (A.1+A.2)		**76.796**	**85%**																
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		**13.552**	**15%**																
Total (A+B)		**90.348**	**100%**																

Capital Expense

Below table shows the capital expense the Company has identified related to eligible activities.

				Substantial Contribution Criteria						Does Not Significantly Harm' Criteria									
Economic Activities (1)	**Code (2)**	**Absolute Turnover (3)**	**Proportion of Turnover (4)**	**Climate Change Mitigation (5)**	**Climate Change Adaptation (6)**	**Water (7)**	**Pollution (8)**	**Circular Economy (9)**	**Biodiversity and Ecosystems (10)**	**Climate Change Mitigation (11)**	**Climate Change Adaptation (12)**	**Water (13)**	**Pollution (14)**	**Circular Economy (15)**	**Biodiversity (16)**	**Minimum Safeguards (17)**	**Taxonomy aligned proportion of total CapEx, year N (18)**	**Category (enabling activity) (20)**	**Category (transitional activity) (21)**
		Thousands EUR	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N		E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES			**58%**																
A.1. Environmentally Sustainable Activities (Taxonomy-aligned)																			
CapEx of Environmentally Sustainable Activities		**-**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**								**0%**		
Of which Enabling		**-**	**0%**														**0%**	**E**	
Of which Transitional		**-**	**0%**														**0%**		**T**
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Manufacture of electrical and electronic equipment	C26	1.382	7%																
Collection and transport of non-hazardous waste in source segregated fractions	E38.11	-	0%																
Product-as-a-service and other circular use- and result- oriented service models	C26	9.816	51%																
CapEx of Taxonomy-eligible but not		**11.198**	**58%**																
Total (A.1+A.2)		**11.198**	**58%**																
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		**8.189**	**42%**																
Total (A+B)		**19.388**	**100%**																

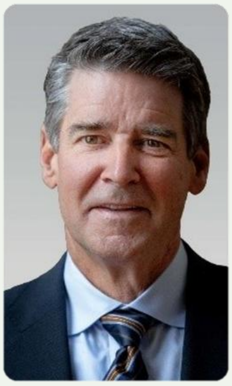
Operating Expense

The Company has decided to omit reporting operating expense on the eligible activities as the Company was not able to allocate operating expense into one of the three distinct categories set by Regulation (EU) 2021/2178 annex I. However, the Company is implementing processes which will provide more detailed insights into these resources going forward. Looking to the future, with mandatory disclosure on EU Taxonomy, operating expense will be allocated to the relevant activities.

Governance Report of the Board of Directors

Board of Directors

Envipco's Board of Directors (the Board) comprises six non-executive directors and one executive director as of 31 December 2025. The Board provides strategic oversight, experienced governance, and accountable leadership that guides the Company's global growth and long-term value creation. The Board's rotation schedule is available on the Company's website. Envipco's non-executive directors are:



Gregory Garvey

Non-Executive Director and Chairman of the Board

R S

A citizen of the US, Greg (born 1955) is currently the Chairman of Virtual Hold Technology LLC, a privately held software company. He previously served as Vice Chairman of a major European RVM company and as Chief Executive Officer and President of its North American division. Mr. Garvey also served on the Board of Wise Metals Group LLC and was formerly Vice Chairman of Tandberg ASA, a publicly traded video-conferencing company based in Norway, where he was also a principal investor.

Earlier in his career, Greg was a partner at Price Waterhouse. He holds a BS in Financial Accounting from the University of New Haven and is a Certified Public Accountant.

Anne Jorun Aas

Independent Non-Executive Director

A

A citizen of Norway, Anne Jorun is the CEO of Farmforce AS, a SaaS company providing agricultural supply-chain data and management solutions in more than 30 countries. She has previously served on the boards of Eltek ASA, Kjeller Innovasjon, and as Chair of ENERGIX, a major program of the Norwegian Research Council.

Anne Jorun has held several senior leadership roles, including SVP Organization and Strategy at Scatec Solar, COO of Scatec, and Interim CEO of Kjeller Innovasjon. She spent six years with McKinsey & Company. She holds a PhD in Nuclear Chemistry from the University of Oslo/University of Uppsala and CERN, Geneva.

Charlotta Gylche

Independent Non-Executive Director

A

Charlotta is a Swedish citizen and founder of Albion & I Ventures, a management and venture advisory firm. She has over 12 years' experience in business development, commercial strategy, organizational design, and new-venture management from Orkla ASA and Orkla Ventures. Most recently she served as Interim CEO of Collaxio AB (Nasdaq First North), leading significant structural and strategic change.

Charlotta has substantial experience in recycling and sustainability, along with board experience as both member and advisor. She holds BSc and MSc degrees in Business & Economics from the Stockholm School of Economics.

Committee membership: A Audit S Selection & Nomination R Remuneration Chair

Ann Cormack

Independent Non-Executive Director

A S

A citizen of the UK, Ann has extensive experience in strategy, organizational transformation, and international operations. She most recently served as Executive Head of Human Resources for the De Beers Group of Companies, leading global transformation initiatives driven by technology shifts and the Covid-19 pandemic.

Previously, Ann was Director International at Rolls-Royce plc, responsible for country strategy, business development, compliance, ethics, and government relations. She also brings significant experience in the energy sector with a focus on renewable energy and sustainability. Her board roles include Chatham House and the UK Foreign, Commonwealth & Development Office. She holds an MA from the University of Edinburgh.

Erik Thorsen

Non-Executive Director

R

A citizen of Norway, Erik has more than 25 years of senior leadership experience in technology-driven industries. He served as CEO of a major RVM company (1996–2005) and of REC ASA (2005–2009). He has also held multiple board chair and board member roles and has advised several publicly listed technology companies.

Erik holds a degree in Mathematics from the University of Oslo and an MBA in International Finance and Marketing from the University of Karlstad.

Maurice Bouri

Non-Executive Director

R

A citizen of the UK, Maurice is the former President of Société des Huiles et Dérives, a grain derivatives manufacturing and commodities trading company, a role he held from 2012 to 2019. He is currently Executive Director of Fushe Kruja Cement and previously served as its Director of Sales and Marketing for the Balkan region.

Maurice holds a dual degree in Industrial Psychology and Marketing from the University of Buckingham, England.

Executive Management Team

Envipco's Executive Management Team (EMT) drives the Company's operational execution and strategic delivery, supporting the CEO with deep functional expertise and providing the Board with transparent, data-driven insights that enable effective governance and long-term value creation.

Simon Bolton

Chief Executive Officer and Executive Board member

A citizen of the UK, Simon joined Envipco in 2020 as Chief Executive Officer (CEO). Prior to joining Envipco, he was CEO of International of Waterlogic, a global company with 2,500 employees and USD 350 million in revenue. Simon previously held senior management positions at General Electric, Invensys, and other industrial and technology companies.

Simon holds an MBA from IMD Lausanne, an MSc in Engineering Business Management from Warwick University, and a BEng from Imperial College London. Simon is also an Executive member of the Board.

Simon resigned from Envipco effective 30 April 2026.

Patrick Gierman

Chief Financial Officer and Executive Board member

A citizen of the Netherlands, Patrick joined Envipco as Chief Financial Officer on 1 January 2025. He was previously Chief Financial Officer (CFO) of OTT HydroMet, a Veralto Operating Company providing global solutions for hydrology, meteorology, and solar energy.

Patrick brings 20 years of international financial leadership experience from General Electric, Danaher, and private equity, combined with seven years as a Public Auditor at EY and PwC. He holds a master's degree in business economics from the University of Amsterdam and is a Chartered Accountant.

Patrick was appointed as an executive member of the Board of Directors on 30 April 2026.

Fons Buurman

Chief Commercial Officer, Europe and Asia

A citizen of the Netherlands, Fons joined Envipco in 2021 as Vice President (VP) Business Development Europe and is now Chief Commercial Officer Europe & Asia, leading the commercial organization across these regions.

Before joining Envipco, Fons held marketing, sales, and business development roles in the international consumer packaging industry at Tetra Pak and WestRock, and in consumer electronics at Philips. Fons holds a bachelor's degree from the Haarlem Business School.

Robert Lincoln

President Americas

A citizen of the US, Bob joined Envipco in 2010 with leadership responsibility for technology development, core business development, and new market activities. As President Americas, he currently leads Business Development and Sales across the region.

Previously, Bob served as President of another major reverse vending company. A native of Connecticut, he began his career at Procter & Gamble before moving into the recycling industry. Bob holds a Bachelor of Arts degree from Lawrence University.

Mikael Clement

Chief Strategy and IR Officer

A citizen of Norway, Mikael joined Envipco in 2024 as Chief Strategy and IR Officer. He was previously CFO of Xplora Technologies and has 25 years of international capital markets experience as a buy- and sell-side analyst, corporate finance adviser, and board adviser. He has also served as a board member of Fjellsport Group, a Nordic online retailer.

Mikael holds a BBA (Siviløkonom) in Finance and International Business and a BA in German from Pacific Lutheran University in Washington, US. He resides in Oslo.

Manfred Albrecht

VP Global Operations

A citizen of Germany, Manfred joined Envipco as VP Global Operations in November 2024. He brings more than 30 years of extensive experience in the packaging industry and has held multiple senior operational roles across various sites.

Manfred served for 10 years as COO and member of the Executive Board at Bischof & Klein SE & Co. He later worked as an independent consultant specializing in lean transformations. He holds a degree in Process Engineering from the University of Applied Sciences in Munich.

Andrew Keene

Chief Technology Officer

A citizen of the US, Andrew joined Envipco in 2022 with responsibility for the Company's Chief Technology Officer. He previously served as Head of Hardware Engineering at Mobile Robotics – Logistics Solutions.

Andrew has 28 years of experience in product design and engineering across companies including SharkNinja, Insulet, Keurig, Gillette, Raytheon, and Bosch. He holds an MBA from Boston College and an MSc in Mechanical Engineering from Northeastern University.

Filomena Cionti

Chief Human Resource Officer

A dual citizen of Germany and her native Italy, Filomena joined Envipco in 2022 and currently serves as Chief Human Resources Officer. She previously served as HR Country Manager at Balda Medical GmbH, part of the Stevanato Group, supporting more than 400 employees.

Filomena's education is in literature and commercial law, and she has extensive experience working with pan-European teams and leading recruitment and HR development across multiple countries.

Terje Hanserud

Director Special Programs

A citizen of Norway, Terje joined Envipco in 2014 and, as Director Special Programs, supports business development in new markets while also leading the Product Management team. He previously served as CEO of a sensor technology startup.

Before that, Terje spent 14 years as Senior Vice President and CTO at another major reverse vending company. He has deep experience in technology innovation and international business development across miniature gas sensors, recycling machinery, computers, and national deposit systems. Terje holds an MSc in Electronics and Computer Science from the Norwegian University of Technology.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Dbaj o środowisko,
wrzucaj plastikowe butelki
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Board Operations and Governance

The Board provides strategic oversight, experienced governance, and accountable leadership that guides the Company's global growth and long-term value creation. During 2025, the Board remained closely involved in the Company's strategy and monitored our progress as we expanded geographically and launched new products.

Envipco operates a one-tier board governance structure, with executive and non-executive directors serving on a single Board. The Board is comprised of six non-executive directors and one executive director as of 31 December 2025.

Name	Birth Year	Gender	Member Since	End of Term
G. Garvey	1955	Male	2008	Annual General Meeting 2026
S. Bolton	1971	Male	2020	Annual General Meeting 2027
M. Bouri	1978	Male	2020	Annual General Meeting 2026
A.J. Aas	1972	Female	2021	Annual General Meeting 2026
A. Cormack	1962	Female	2022	Annual General Meeting 2027
E. Thorsen	1956	Male	2023	Annual General Meeting 2026
C. Gylche	1987	Female	2024	Annual General Meeting 2027

The Board has also developed the governance framework and implemented several measures to identify, evaluate and manage potential threats more effectively. This includes risk assessments and reviews covering multiple areas such strategic, operational, compliance and product risks. Accordingly, the Board invested in further improving the Company's organization, processes and structure to further strengthen its framework which included creating and strengthening an Internal Audit function. Additionally, the Board has invested in advanced cybersecurity measures to protect against data breaches and other digital threats.

It is important to note that no specific management measures have been taken for certain emerging risks due to their unpredictable nature. We are continuously monitoring these areas and will adapt our strategies as more information becomes available.

The Board met 14 times during 2025, of which four of the meetings were in person. Materials were prepared by the CEO and management team prior to and discussed during the meetings. Through these meetings the Board regularly discussed the strategy, the implementation of the strategy and the principal risks, the Company's operations and financing. In addition, the Board regularly discussed and evaluated specific actions and board operations. Attendance at Board meetings is shown in the Corporate Governance section of this report.

Governance

Through a focused working group, the Board continues to develop, approve and publish updated Board regulations, policies and procedures for the Company; these are available on the Company's website. As part of these updates, specific charters have been defined for both the Board itself and three installed committees: the Audit Committee, Remuneration Committee and Selection & Nomination Committee. The framework and scope of these committees is elaborated in the Corporate Governance section of this report.

Due to increasing requirements for listed companies and the Board's wish to continue to develop and improve the internal control environment due to the growth of the Company, the Board implemented an Internal Audit function as of the fourth quarter of 2024 and further improved the Internal Audit function during 2025 (ref. 1.3.6 of the DCGC). This function will further strengthen the Company's risk management process, business and finance processes, as well as the internal control framework in addition to the role of the Board and the Audit Committee.

Audit Committee

The Audit Committee was established in early 2023 and its charter was approved by the Board in 2023. During 2025, the Audit Committee had regular scheduled meetings, attended by management, and, where appropriate, members of the Board, to review the progress of the annual audit, quarterly unaudited results, the risk assessments, and improvement actions. The matters discussed and recommendations arising from these meetings were reported to, and discussed with, management and the Board as part of the Company's governance and oversight processes.

The Audit Committee participated in the audit planning and coordination with the external auditor for the 2025 audit. The Audit Committee, along with the Board, reviews management's active improvement plans to strengthen the Company's business and finance processes, internal control framework, system landscape and the (financial) organization, including the creation of an Internal Audit function. The Audit Committee acknowledges that as the Company is further growing and maturing, the current action plan will be continued into 2026 to further formalize business, finance and risk procedures.

During 2025, the Audit Committee along with the Board has reviewed management's formalized risk assessment, the Board's risk appetite and plans for mitigating activities in support of required Board's Statement on Risk Management, also called the Verklaring Omtrent Riskmanagement (the VOR). In line with 2024, the Board also continued its initiative regarding the revised CSRD reporting requirements. For further details see the Sustainability section.

Remuneration Committee

The Company has a Remuneration Policy that relates to the remuneration of executive and non-executive directors. The current Remuneration Policy was approved by the Annual General Meeting of Shareholders (AGM) on 23 August 2024 and is available on the Company's website.

At least every four years, the Board will review the Remuneration Policy. This Remuneration Policy can be amended or restated by the AGM in accordance with the Company's articles of association (statuten) and Dutch law. The aim of the Remuneration Policy for the executive director is to ensure that the Company can attract, motivate and retain qualified and experienced executive directors, and to incentivize and reward long-term and sustainable growth. It includes base salary, short and long-term incentive plans (LTIP) and other benefits. In line with its ongoing improvements, the Board has issued a proposal to approve an updated remuneration policy as part of the Extraordinary General Meeting scheduled for 30 April 2026.

Consistent with the DCGC, the remuneration of the non-executive directors is not dependent on the Company's results. The non-executive directors will determine the remuneration and the terms and conditions for the executive director separately, considering the provisions of the Remuneration Policy. The AGM shall determine the remuneration of the non-executive directors.

Selection & Nomination Committee

This Committee was established in December 2023 and has been operational since January 2024. In 2025, the Selection & Nomination Committee held three meetings where it discussed the composition and size of the Board, Board committees and Management Team. The Committee initiated a structured and diligent search for a new CEO as of 12 January 2026 because of the decision of the Company’s current CEO, Mr. Simon Bolton, to leave the Company effective 30 April 2026.

As of the date of publication of the 2025 Annual Report, the Board has successfully completed the CEO succession process, as announced in the Company’s press release dated 17 March 2026. The Board is confident that the newly appointed CEO brings the leadership, experience and strategic focus required to guide Envipco through its next phase of growth and value creation, and to continue executing the Company’s long-term strategy.

Supervision by the Non-Executive Directors

The Board has a duty to ensure that the actions of the executive director and EMT align with the Company's strategic priorities and values. The non-executive directors supervise the policies implemented by the executive director and the EMT, and the general affairs of the Company. The composition of the Board and EMT can be found at the beginning of the Governance Report.

According to DCGC, Mr. Garvey, Mr. Thorsen and Mr. Bouri are not independent. This is also highlighted in the Corporate Governance section. The term of each Board member is shown on the Rotation Schedule on the Company website and managed through the AGM to ensure staggered terms and adequate continuity of service.

Corporate Governance Code

Envipco Holding N.V. is committed to high standards of corporate governance, transparency and accountability, which are essential to safeguarding the long-term interests of the Company and its stakeholders. Sound governance supports effective decision making, responsible risk management and sustainable value creation.

This section describes how Envipco applies the principles and best practice provisions of the Dutch Corporate Governance Code. It provides insight into the governance framework of the Company, including the role and functioning of the Board, the allocation of responsibilities, and the manner in which oversight, control and accountability are exercised. Where relevant, explanations are provided for any deviations from the Code.

General

Envipco Holding N.V. is a publicly listed limited liability company incorporated under the laws of the Netherlands, with its registered seat in Amsterdam and its offices at Stationsstraat 77, 3811 MH, Amersfoort, the Netherlands, chamber of commerce registration number 33304225.

This section gives an overview of the information concerning the DCGC, the Board and the AGM.

Company Legal Structure

Envipco Holding N.V. is the parent of operating subsidiaries across Europe and North America, covering manufacturing, assembly, distribution and service activities. The Company is organized along profit and loss responsibility split by legal entity, or so-called business units, with shared corporate functions at the Company level. A simplified legal structure diagram and the list of principal subsidiaries in the Financial Statement section of this report.

Compliance with the Dutch Corporate Governance Code

Companies with registered office in the Netherlands whose shares have been admitted to trading on a regulated market or comparable system or, under certain circumstances, on a multilateral trading facility or comparable system, whether in the Netherlands or elsewhere, are required under Dutch law to disclose in their annual reports whether or not they comply the provisions of the DCGC of 22 December 2022 effective 1 January 2023 and, if and to the extent they do not comply, to explain the reasons why.

The Company is committed to applying the principles and best practice provisions of the DCGC. The DCGC recognizes that a one-size fits all approach does not work for a Company's governance structure, and deviations can be justified. The comply-or-explain principle stresses the responsibility of the Board for the Company's governance structure and compliance with the DCGC.

Below, the principles and best practice provisions where the Company deviates from the DCGC are listed. An overview of all principles and best practice provisions of the DCGC as well as the Company application of these in accordance with the 'comply or explain' principle is also available on the Company's website.

Norwegian Corporate Governance Codes

Envipco Holding N.V. is primarily listed in the Netherlands and applies the Dutch Corporate Governance Code.

In connection with the admission of the Company’s shares to trading on the regulated market of Euronext Oslo Børs in December 2024, Envipco committed in its prospectus to materially align its corporate governance practices with the Norwegian Code of Practice for Corporate Governance (NUES).

Envipco considers that the Dutch Corporate Governance Code and the Norwegian Code of Practice for Corporate Governance share substantially similar principles and objectives. The Company’s governance framework and practices are therefore, in all material respects, aligned with the recommendations of NUES.

The Board of Directors

Envipco has a one-tier Board governance structure (5.1 of DCGC) consisting of one executive and six non-executive directors as of 31 December 2025. The Board is responsible for the Company's governance structure and compliance with the DCGC and must provide a clear explanation of any deviation. The executive director is responsible for the day-to-day management of the Company and for implementing the Company’s strategy, operational objectives and general policies.

In accordance with the DCGC, the Board’s role is to provide leadership to and supervision of the Company on matters of strategy, risk management and internal controls, and policies. It has overall responsibility for the management and control of the Company and is authorized to take all actions necessary to achieve the Company’s purpose. In performing their duties, directors must be guided by the best interests of the Company and its stakeholders, including business partners, employees, and shareholders.

The Board has set rules concerning its organization, decision-making, and other internal matters. This set of rules is available on Envipco’s website. The composition of the Board consists of a broad diversity of experience, knowledge, and skills.

The directors are appointed by the Company’s AGM upon nomination by the Board. The AGM may dismiss a director at any time by a two-thirds majority vote if less than half of the issued share capital is represented at the AGM, unless the resolution for dismissal is passed at the Board’s proposal.

The Board meets as often as any director considers necessary. Resolutions are passed by a simple majority of votes cast. In the case of a tie in the vote of the Board, the resolution is not passed. Any resolutions concerning a material change to the Company’s identity or its business must be submitted to the AGM for approval. Directors elect a chairman of the Board among themselves. Currently the Company has three female members on the Board.

Independence

According to Best Practice Provision Article 2.1.7., the majority of the non-executive directors must be independent, and, at most, one non-executive director does not have to meet the independence criteria. A Board member is considered “not independent” if he or she, a spouse, partner, or close family member (related by blood or marriage up to the second degree) meet any of the conditions listed below:

- Has been an employee or member of the management board of the Company, including associated companies (as referred to in Section 5:48 of the Financial Supervision Act Wet op het financieel toezicht/Wft) in the five years prior to their appointment.
- Receives personal financial compensation from the Company, or an associated company, other than the compensation received for the work performed as a Board member.
- Has had an important business relationship with the Company or an associated company in the year prior to the appointment.

- Is an executive of a company in which a member of the management board of the Company which (s)he supervises is a non-executive Board member.
- Has temporarily performed management duties during the previous twelve months in the absence or incapacity of a member of the management board.
- Has a shareholding in the Company of at least 10%.

Three non-executive directors do not qualify as independent. Mr. Garvey does not qualify as independent due to his shareholding in the Company and his tenure as member of the Board. Mr. Bouri has indirect shareholdings exceeding the 10% threshold and was previously an executive member of the Board. Mr. Thorsen does not qualify as independent as he receives personal compensation as an advisor to the Company.

The Selection and Nomination Committee consists of Mr. Garvey and Ms. Cormack as non-executive directors. Ms. Cormack qualifies as independent, while Mr. Garvey does not qualify as independent due to his shareholding in the Company. The Governance Code provides that more than 50% of the members of this committee should be independent. As one of the two committee members is independent, the committee has 50% independent representation and therefore does not fully comply with this provision of the Governance Code.

Conflicts of interest

Any form of conflict of interest between the Company and the members of its Board shall be prevented. To avoid conflicts of interest, adequate measures should be taken. The non-executive directors are responsible for the decision-making on dealing with conflicts of interest regarding directors and majority shareholders in relation to the Company.

In 2025 there have been no cases of conflicts of interest, transactions between the Company and members of the Board or transactions with shareholders holding 10% or more of the shares of the Company.

Committees

The Board has established three committees: the Audit Committee, the Remuneration Committee and the Selection and Nomination Committee. The committees operate pursuant to their respective charters, which are published on the Company's website, and each has a preparatory and advisory role to the Board. During the financial year, the Board of Directors, in its supervisory capacity, received reports from each of its committees on their deliberations and findings, which formed an integral part of the Board's oversight and decision-making process.

Audit Committee

The Audit Committee advises the Board in relation to its responsibilities, undertakes preparatory work for the Board's decision-making regarding the supervision of the integrity and quality of the Company's financial and sustainability reporting and the effectiveness of the Company's internal risk management and control systems and shall prepare resolutions of the Board in relation thereto.

The main responsibilities of the Audit Committee are:

- Inform the Board of the outcome of the statutory audit and explain how the statutory audit contributed to the integrity of financial and sustainability reporting and what the role of the audit committee was in that process.

- Monitor the financial reporting process and submit recommendations or proposals to ensure its integrity.
- Monitor the effectiveness of the design and operation of the Company's internal risk management and control systems in relation to the financial reporting of the Company including review and discussion of flaws in the effectiveness of the design and operation of the internal controls.
- Monitor the statutory audit of the annual accounts, in particular the performance thereof.
- Review and monitor the independence of the external auditor, and request from the external auditor a formal written statement at least annually delineating all relationships between the external auditor and the Company regarding the external auditor's independence.
- Implement a procedure for the selection of an external auditor and recommend to the Board an external auditor to be appointed in accordance with Article 16 of Regulation (EU) No 537/2014, as well as submit a proposal to the board for the relevant external auditor's engagement to audit the annual accounts.
- Assist the Company in preparing the disclosure to be included in the Company's applicable filings.
- Monitor the effectiveness of the design and operation of the Company's internal controls with the board, the CEO, and the CFO, as appropriate.
- Funding of the Company.
- The Company's tax policy.

The Committee meets at least four times per year, or more frequently according to need. At least one Committee member must have an accounting or auditing background.

The Audit Committee consists of three non-executive directors appointed by the Board. Currently the members are chaired by Ms. Aas, with Ms. Cormack and Ms. Gylche, the finance representative, as members.

Remuneration Committee

The Remuneration Committee advises the Company on the remuneration policy and benefits for the Board members and the individual directors. The Committee also advises the CEO on the remuneration of members of the EMT who are not executive directors.

The main responsibilities of the Remuneration Committee are:

- Every four years, submit a clear and understandable proposal to the Board concerning the remuneration policy that will be submitted to the AGM for adoption as required by law.
- Submit proposals for and prepare the Board's decision-making regarding the determination of remuneration of the individual executive directors and of the individual non-executive directors, within the remuneration policy.
- Annually prepare a remuneration report, considering the requirements of the DCGC and matters required by law, which must be tabled at each AGM for a non-binding advisory vote by the shareholders and shall be posted on the Company's website.
- When formulating a proposal for the remuneration policy the committee takes into consideration:
    - The objectives of the strategy for the implementation of sustainable long-term value creation.
    - Scenario analyses carried out in advance.

  - The pay ratios within the Company.
  - An appropriate ratio between the variable and fixed remuneration components. The variable remuneration component is linked to measurable performance criteria determined in advance, which are predominantly long-term in character.

The Remuneration Committee was reestablished in December 2023 and has been operational since January 2024. The committee consists of three members who must be non-executive directors. Currently the Committee is chaired by Mr. Thorsen, with members Mr. Garvey and Mr. Bouri. The charter of the Remuneration Committee can be found on the Company's website.

Selection and Nomination Committee

The Selection and Nomination Committee advises the Board regarding selection criteria, the appointment and reappointment of directors and succession planning. Their main responsibilities according to their charter are:

- Propose selection criteria and appointment procedures for the directors.
- Review the size and composition of the Board and submit proposals for the composition profile of the Board.
- Review the functioning of individual directors and report on such reviews to the Board.
- Propose a plan for the succession of directors.
- Submitting proposals for (re)appointment of directors.
- Supervise the policy of the Board regarding the selection criteria and appointment procedures for the Company's EMT.
- Advise the CEO regarding the appointment and replacement of the members of the EMT who are not executive directors.

All members of the Selection and Nomination Committee must be non-executive directors. The Selection and Nomination Committee shall meet as often as required for proper functioning, and for that purpose at least four times annually. In 2025, the Selection & Nomination Committee held three meetings instead of the four meetings envisaged in its charter. Given the limited number of agenda items and the timing of Board changes, the Committee considered this sufficient for the proper fulfilment of its duties.

Currently the Selection and Nomination Committee is chaired by Mr. Garvey with Ms. Cormack. as the non-executive member. The charter of the Selection & Nomination Committee can be found on the Company's website.

Meetings & attendance

The table below shows the number of meetings and attendance rate of the Board, the Audit Committee, the Remuneration Committee, and the Selection & Nomination Committee during fiscal year 2025. Attendance rate for the Board and Audit Committee was 97% and 98% respectively.

Name	Board of Directors	Audit Committee	Remuneration Committee	Selection & Nomination Committee
G. Garvey	13/14		1/1	3/3
S. Bolton	13/14			
M. Bouri	14/14		1/1	
A. J. Aas	14/14	14/15		
A. Cormack	14/14	15/15		3/3
E. Thorsen	13/14		1/1	
C. Gylche	14/14	15/15		

Rotation schedule

Any changes in the composition of the Board require careful consideration from a succession planning perspective. The Board tries to mitigate the potential risk of directors simultaneously retiring. The Board rotation schedule will be made available on the Company's website.

Code of Conduct

The Company subscribes to the highest standards of ethical business conduct and fair and honest dealings with all its stakeholders: employees, customers, partners, suppliers, shareholders, investors and the community at large.

The Envipco Code of Conduct (the Code) sets forth standards to promote honest and ethical conduct, appropriate public disclosures and legal compliance and includes policies related to conflicts of interest, record keeping, use of Company property or resources, and policies regarding fraud, dishonesty or criminal conduct. This code applies to the Company and all its affiliates and provides a mandatory guide for every employee, including every officer and member of the Board. It explains its role within the Company as it relates to the work Envipco does and how to interact with one another and those with whom to do business.

The policy is available on the Company’s website.

Diversity and inclusion

Envipco is an international company with subsidiaries in Europe and the US. This international presence creates an environment where people of diverse cultures and backgrounds collaborate to achieve our mission, accelerate in their roles, and perform at their highest potential.

Envipco is committed to attracting, developing, and retaining the best talent by fostering a workplace where every individual feels valued and respected. The Company promotes an inclusive environment that provides equal opportunities regardless of gender, ethnicity, faith, sexual orientation, age, or physical or mental ability. We believe that diverse teams, bringing together different backgrounds, perspectives, and experiences, enhance innovation, strengthen our culture, and contribute to superior business performance and sustainable growth.

Envipco has the ambition to encourage women to apply for any function within the Company, including the extended leadership group, particularly when they have a background in fields that traditionally have a higher proportion of male employees. Envipco is also working on incorporating diversity aspects like age, gender, race nationality, educational background or professional background into its total organization, including the executive management team, extended leadership group and Board.

Regardless of rules and regulations, Envipco emphasizes that diversity and inclusion is very important to guarantee a safe and inclusive environment for all employees to work for and develop themselves.

In 2025, the Company experienced a good improvement of gender diversity initiatives, achieving a female representation of 22%. The male workforce, although still the majority, saw a slight proportional decrease, indicating a positive rebalancing trend. This year also served as a pivotal moment to solidify a more inclusive culture, setting the foundation for sustained diversity growth into 2026 and beyond.

Parallel to gender diversity, age diversity has also evolved. The Company maintains a healthy distribution across different age groups, focusing on attracting young talent while retaining experienced professionals. Additionally, in 2024 Envipco initiated a comprehensive analysis of remuneration practices, and the gender pay gap which continued throughout 2025. The objective of this initiative is to thoroughly evaluate compensation equity and, where discrepancies are identified, to develop and implement targeted actions which has led to an Action plan during 2025 aimed at reducing and/or eliminating any existing gender pay gap.

In addition to the above, Envipco is committed to the following:

- Equality in the workplace: Encourage equality, diversity and inclusion in the workplace as they are good practice and make business sense. Create a working environment free of bullying, harassment, victimization and unlawful discrimination, promoting dignity and respect for all, and where individual differences and the contributions of all staff are recognized and valued. Take seriously any complaints of harassment, victimization and unlawful discrimination by fellow employees, customers, suppliers, visitors, the public and any others in the course of the organization's work activities.
- Training: Make opportunities for training, development, and progress available to all staff, who will be helped and encouraged to develop their full potential, so their talents and resources can be fully utilized to maximize the efficiency of the organization.
- Decisions: Make decisions concerning staff based on merit (apart from any necessary and limited exemptions and exceptions allowed under the local legislation).
- Monitoring: Review employment practices and procedures when necessary to ensure fairness and update them and the policy to take account of changes in the law. Monitor the make-up of the workforce regarding information such as age, sex, ethnic background, sexual orientation, religion or belief, and disability in encouraging equality, diversity and inclusion, and in meeting the aims and commitments set out in the equality, diversity and inclusion policy.
- Strategic direction: While the organization's efforts are beginning to show positive results, sustaining and accelerating this momentum is critical. We are dedicated to enhancing diversity in both gender and age, ensuring all employees feel valued and supported, and reinforcing our commitment to an inclusive workplace for everyone.

For 2026 and beyond, Envipco will:

- Continue to promote diversity in recruitment across all departments.
- Introduce targeted initiatives to attract and retain female talent in technical and field roles.
- Enhance mentorship programs to facilitate knowledge sharing across generations.

Create inclusive career pathways and development programs to support women and young talent in traditionally male-dominated sectors.

Whistleblower

Envipco has established a whistleblower policy according to the European Directive 2019/1937 on the protection of persons who report breaches of Union law in connection with the respective national law. This policy assures protected communications for individuals who report violations of legal requirements, as well as violations of Envipco's Code.

The whistleblower system is available to all Envipco employees and temporary workers, and they are encouraged to report violations of law or the internal code of conduct. All employees are required to contact a reporting office in the event of violations of the law or a reasonable suspicion thereof. In any case the internal reporting office shall be the preferred communication channel. A dedicated email address has been established to enable employees and other affected parties to report violations related to business processes. Known or suspected legal violations may be reported through both internal and external reporting channels.

Furthermore, employees and other affected parties are encouraged to report violations of Envipco's Code. This is crucial to ensure positive and trusting cooperation. All whistleblower reports and possible violations of Envipco's Code are reported to the compliance office who will investigate and follow up on these reports.

Deviations from the best practices of the DCGC

The Company does not comply with the following provisions of the DCGC:

DCGC Section	Deviation Description
1.2.1	The Company continues to improve its control system including its risk assessment process, which started in the second part of 2024. During 2025 the Company further strengthened its risk assessment process including definition of its risk appetite and will continue to expand its efforts during 2026 including the implementation and monitoring of appropriate countermeasures.
1.3	Due to the size of the Company, Envipco had no dedicated Internal Audit function before 2024. In the second half of 2024, the Company created for the first time an Internal Audit function responsible for overseeing the quality and effectiveness of governance, risk management and internal control. Mid-2025, this function was further strengthened by adding a Director of Global Control and Internal Audit and hiring a certified internal auditor. The Internal Audit function led the Risk Management process, further improved the internal control framework, and enhanced global policies, including regular report outs to both Audit Committee and the Board. It further planned and initiated first activities assessing and testing the design, existence and operating effectiveness of internal control measures and governance in general with expected report out in 2026.
2.1.7	The Board is composed in such a way that its members can act independently and critically in relation to one another, the EMT, and any specific interests involved. Within the one-tier board model, this composition ensures effective supervision and challenge by the non-executive directors. The Board currently has six non-executive directors: Mr. G. Garvey (Chair), Ms. A.J. Aas, Ms. A. Cormack, Ms. C. Gylche. Mr. M. Bouri and Mr. E. Thorsen. The Board deviates from the Best Practice Provision, as three non-executive directors are considered not independent: Mr. Garvey and Mr. Bouri due to their direct/indirect shareholding and Mr. Thorsen due to his advisory role to the Company.
2.1.9	The Company deviates from the Best Practice Provision, as the Board's Chair, Mr. G. Garvey, does not qualify as independent. In his role as Board Chairman, he offers the Company many years of significant knowledge of the sector in which the Company operates.
2.2.2	The Company presently deviates from this Best Practice Provision, as Mr. G. Garvey's tenure as non-executive director exceeds twelve years. Mr. G. Garvey offers many years of significant experience and knowledge in the Company's operating sector.
2.2.6	At least once annually, outside the presence of the executive Board member, the non-executive Board members should evaluate their own functioning, the functioning of the various committees of the Board and of the individual non-executive Board members. They shall discuss the conclusions of the evaluations and identify aspects where the directors require further training or education. The first Board evaluation was initiated in March 2026, and the results will be evaluated in the Board's next face-to-face meeting, scheduled for May 2026.
2.3.10	At present there is no Company secretary due to Envipco's size. Given the envisioned growth of the Company, its objective to further professionalize the organization, and increased complexity of new laws and regulations, the Company plans to appoint a secretary in the second half of 2026.
5.1.3	The Company presently deviates from this Best Practice Provision, as the Board's Chair Mr. G. Garvey does not qualify as independent, but brings extensive experience within the Company's operating sector.

Risks & Uncertainties

As a Dutch listed company, we operate in a dynamic environment characterized by economic uncertainty, technological disruption, geopolitical developments, and evolving regulatory expectations. Effective risk management and a clear articulation of our risk appetite are essential for achieving our strategic objectives, safeguarding stakeholders' interests, and ensuring long-term value creation. In accordance with the DCGC, we provide our VOR, outlining our approach to identifying, assessing, managing, and monitoring risks.

During the reporting year, Envipco continued to further mature and strengthen its risk management and internal control framework. Management is of the view that the systems in place operated adequately and in line with the Company's defined risk appetite, while acknowledging that the internal control environment remains an area of ongoing development and continuous improvement.

Risk management

The Company implemented a disciplined risk management framework at the start of 2025 designed to identify, assess, and mitigate risks that could affect our strategy, operations, and long-term value creation. The Board provides oversight of the Company's risk governance, while the EMT and other members of management conduct regular risk evaluations during the year to ensure that emerging risks are monitored and addressed promptly. Our approach integrates:

- **Continuous risk scanning**, including assessment of likelihood, impact, and velocity.
- **Alignment with the Company's risk appetite**, supporting informed strategic decision-making.
- **Robust internal controls**, specialized expertise, and selective use of qualified external advisers; and
- **Strong governance expectations** for employees, contractors, and third-party partners.

Risk owners by function and risk area are accountable for implementing preventive and corrective measures, supported by regular reporting to management and the Board. This ensures that risk management remains embedded in operational execution and strategic planning across all markets in which Envipco operates.

Governance & responsibilities

Envipco's risk management framework is supported by a clear governance structure that defines responsibilities across the organization. The key roles and responsibilities are as follows:

- **Board of Directors** – The Board oversees the effectiveness of Envipco's risk management and internal control systems. It ensures that these systems remain aligned with the Company's strategic objectives and risk appetite, and that they support prudent, sustainable long-term value creation in line with the DCGC.
- **Audit Committee** – The Audit Committee is responsible and advises on the Company's financial, operational, and compliance risks. It supervises and monitors the effectiveness of internal controls, the integrity of financial reporting, and the quality of risk-related disclosures. It also provides oversight of the external audit process and internal assurance activities.
- **Management Team** – The management team, including the EMT, owns and drives the risk management process. This includes setting and operationalizing the risk appetite, allocating the resources required for effective risk mitigation, and ensuring that controls are implemented and embedded across operations and functions.

- **Compliance Function** – The compliance function develops and maintains Envipco's risk methodologies, performs ongoing monitoring, provides independent challenge, and supports transparent reporting. It ensures adherence to relevant regulatory, ethical, and corporate governance standards.
- **Internal Audit** – Internal Audit provides independent assurance on the design and operating effectiveness of governance, risk management, and internal control processes. Internal Audit's work supports continuous improvement and strengthens confidence in the Company's control environment.

Risk appetite

The Company's risk appetite defines the level and type of risk it is willing to accept in pursuing its strategic objectives. It provides a framework for management decision-making, supports the design and operation of consistent internal controls, and is aligned with the Company's overall risk management framework.

The Company's risk appetite levels are derived from the Company's risk assessment conducted in 2025 and were reviewed by the EMT and the Board as part of the annual risk governance process.

Risk Category	Risk Appetite	Explanation
Commercial & Strategic Risks	Medium to high	Growth, innovation, and market expansion initiatives carry a moderate level of acceptable risk, balanced with long-term value creation.
Operational Risks	Low to medium	Operational continuity, product quality, cybersecurity, and talent management are closely monitored, with low to moderate tolerance.
Financial & Compliance Risks	Low	Regulatory, environmental, and ethical compliance are non-negotiable; zero tolerance for breaches; Financial stability, liquidity, and exposure to market fluctuations are carefully managed.

Risk identification & assessment

Risks are identified and assessed using top-down strategic risk workshops and bottom-up business unit input combined with regulatory monitoring, and data analytics. We have further a standardized evaluation of impact, likelihood, velocity, and control maturity to generate a complete risk assessment for the Company.

An overview of our principal risks, including risk appetite, likelihood, and potential impact, is presented in the table below. Risk scores reflect the residual impact and likelihood ratings as assessed in the 2025 Company risk assessment, using the Company's 3x3 risk matrix. No principal risks crystalized with material financial effect in 2025. Delays in certain DRS deployments and related tenders and site deployments were managed within our contingency parameters and did not alter the Company's risk profile or going concern assessment.

Risk Category	Risk Description	Risk Appetite	Likelihood	Impact
Commercial & Strategic	**Deposit Return Scheme Delays** Envipco's revenue growth is closely linked to the timing of new or expanded DRS. Changes in legislative timelines or slower-than-expected market rollouts may delay customer orders, extend working capital cycles, and negatively impact on the return on investment of planned deployments.	High	Medium	Medium

	Given the Company's strategic exposure to DRS rollouts, a higher level of residual risk is accepted. Management's risk appetite reflects a deliberate strategic trade-off, supported by mitigation measures such as flexible investment phasing, modular product design and close engagement with regulators.			
	Strengthening and New Competitors The DRS market continues to attract new entrants and technological innovation, which could increase pricing pressure, reduce margins, and slow market share gains.	Medium	Medium	Medium
	Dependency on Limited Number of Large Customers A portion of the Company's revenue is derived from a small number of large customers. This concentration exposes Envipco to counterparty risk, volume volatility, and potential renegotiation pressure.	Medium	Medium	Low
Operational	**Cybersecurity and IT Security (ERP and Connected Products)** Cyberattacks or vulnerabilities in the ERP system, connected RVMs, or supporting IT infrastructure could cause service interruption, data loss, regulatory exposure (including GDPR), and reputational harm.	Low	Medium	High
	Fragmented and Dated IT Systems The Company's current IT landscape includes legacy systems and manual processes that increase the risk of system failure, data inconsistencies, and errors in accounting and reporting.	Low	Medium	Medium
	Macroeconomic Conditions and Deglobalization Broader macroeconomic pressures, including inflation, interest rate volatility, supply-chain disruptions, and rising energy costs—may affect demand and increase operational costs. Additionally, geopolitical tensions and deglobalization trends may alter tariffs, supply routes, and component availability. Increasing ESG reporting obligations creates additional compliance burden.	Low	Medium	Low
	Installed Product Quality Issues Field performance issues, defects, or reliability concerns in installed products may result in service delays, rework, increased warranty costs, and delayed customer payments.	Low	Medium	High
	Retention of Key Personnel Envipco's growth depends on attracting and retaining skilled personnel. Competition for technical, engineering, operational, and sustainability-related talent remains high.	Medium	Low	Low
	Fraud Risk (Cash, Assets, and Financial Reporting) Fraudulent activity involving cash, assets, or financial reporting could result in financial losses, regulatory breaches, and reputational harm.	None	Medium	Medium
	Corruption and Bribery Envipco operates across multiple jurisdictions and engages with public authorities, distributors, and third-	None	Medium	High

	party agents, which exposes the Company to risks of corruption, bribery, and other improper payments. Failure to maintain effective anti-corruption controls, due diligence over third parties, and employee training could result in violations of applicable laws (including anti-bribery and anti-corruption regulations), leading to significant financial penalties, legal sanctions, debarment from public tenders, and reputational damage.			
Legal & Regulatory	**Regulatory and Compliance Risk** Envipco operates in 14 countries and is subject to diverse and evolving legal, regulatory, and governance requirements. Non-compliance could lead to penalties, operational restrictions, or reputational harm.	Low	Medium	Medium

Commercial & strategic risks

Deposit return scheme delays

Envipco mitigates this risk by ensuring that RVMs are not built without committed customer order coverage, supported by disciplined buy-or-build decision-making processes. The Company has standardized key components across its product portfolio to increase manufacturing flexibility and reduce lead times. Capital expenditure is deployed in stages and only once relevant legislation has been formally enacted, thereby limiting exposure to premature investment. Envipco also maintains the capability to reallocate production capacity and field service resources across markets to optimize utilization in response to shifting deployment timelines. In addition, the organization has intensified its monitoring of policy developments and actively engages with industry stakeholders and regulators to stay ahead of legislative changes and market roll-out expectations.

Strengthening & new competitors

Envipco continues to focus on delivering differentiated technology, performance, and total cost-of-ownership advantages to maintain a strong competitive position as the market evolves. The Company applies targeted pricing governance and maintains strict commercial discipline to protect margins and ensure sustainable win rates in tender processes. Envipco is also expanding its portfolio of valued service offerings to enhance customer retention and strengthen long-term account relationships. In addition, the organization pursues selective partnerships, pilot programs, and co-innovation initiatives with strategic customers to reinforce key accounts and stay at the forefront of emerging industry developments.

Dependency on a limited number of large customers

Envipco mitigates this risk by continuing to diversify its customer base across geographies and market segments, thereby reducing exposure to revenue concentration from a limited number of large accounts. The Company incorporates contractual safeguards—such as volume commitments and performance protections—into major agreements to strengthen commercial resilience and reduce counterparty risk. Where appropriate, Envipco makes use of credit-insurance mechanisms to protect against potential non-payment exposure. In addition, the Company has reinforced its collections discipline and enhanced its credit-monitoring processes to identify emerging risks early and maintain robust cash-flow management.

Operational risks

Cybersecurity and IT security (ERP & connected products)

Envipco mitigates this risk through ongoing system hardening, which includes continuous patching, the application of multi-factor authentication, and the enforcement of privileged-access controls to reduce the likelihood of cyber vulnerabilities being exploited. The Company operates a centralized Security Information and Event Management environment that provides real-time monitoring and alerting to detect anomalies and respond promptly to potential threats. Tested incident-response playbooks and regular crisis-management exercises are used to ensure organizational preparedness and to strengthen the effectiveness of response protocols.

In addition, Envipco conducts routine backup and restore testing to safeguard the integrity and availability of critical operational and personal data in the event of a system failure or cyber incident. The Company also engages independent third parties to perform penetration testing and broader security assessments, ensuring that emerging risks are identified and remediation measures are implemented proactively.

Macroeconomic conditions and deglobalization

Envipco mitigates this risk through ongoing global monitoring of geopolitical and broader macroeconomic indicators, enabling the Company to anticipate changes in demand patterns, supply-chain dynamics, and cost pressures as they emerge.

The Company employs flexible and diversified sourcing strategies to reduce dependence on individual markets or suppliers and to safeguard operational continuity in the event of trade disruptions, tariff changes, or shifts in global supply routes.

Envipco also undertakes forward compliance planning for ESG and sustainability reporting obligations, ensuring that upcoming regulatory requirements—such as evolving CSRD-aligned disclosures—are integrated into internal processes in a timely and well-structured manner.

Finally, scenario analysis is embedded into both operational and financial planning cycles, enabling management to assess potential macroeconomic developments, test business-model resilience, and implement proactive adjustments when required.

Installed product quality issues

Envipco mitigates this risk by applying robust stage-gate processes within its new product introduction framework, ensuring that product designs undergo structured validation and approval steps before release. This disciplined approach reduces the likelihood of defects entering the field and strengthens product reliability. The Company also makes extensive use of field-quality analytics, 8D methodologies, and structured root-cause analysis to systematically investigate issues, identify underlying failure modes, and implement corrective and preventive actions. These practices support continuous improvement and help reduce recurrence of problems with installed products. Envipco maintains strong warranty governance and oversight, closely monitoring warranty trends, cost drivers, and service-level performance to ensure timely responses and to minimize financial exposure associated with quality-related incidents.

In addition, the Company adopted enhanced supplier qualification requirements, ensuring that components and assemblies meet defined quality standards and that suppliers adhere to Envipco's expectations for consistency, traceability, and continuous improvement. These controls help prevent upstream quality issues from impacting installed products.

Retention of key personnel

Envipco mitigates this risk by actively leveraging the strong public interest in sustainability and the growing relevance of DRS to position the Company as an attractive employer for mission-driven professionals. This enables Envipco to appeal to candidates motivated by environmental impact and circular-economy solutions. The Company maintains a robust pipeline of sustainability-linked roles across production, service, R&D, marketing, and sales, ensuring continuity of critical skills and strengthening its capacity to grow and innovate in line with evolving market and regulatory expectations.

Envipco also offers a competitive employer value proposition centered on its culture, mission alignment, and opportunities for professional growth, reinforcing its ability to attract and retain high-caliber technical and operational talent in a competitive labor market.

Finally, the Company supports long-term organizational resilience through structured development and succession planning for critical roles, ensuring that key capabilities, institutional knowledge, and leadership capacity are retained and strengthened over time.

Fraud risk (cash, assets & financial reporting)

As Envipco continues to grow and scale its operations, management remains focused on the continuous strengthening of the internal control and risk management framework, consistent with the Company's low risk appetite for financial and compliance risks and in line with the DCGC. Fraud risk may arise in certain processes due to organizational scale, reliance on manual procedures, and the inherent requirement for management judgment, including situations where segregation-of-duties constraints or management override could occur.

During 2025, the Company applied a combination of preventive and detective control measures within its internal control framework. Where full segregation of duties was not feasible due to the size of certain local operations and maturity of the overall control environment, compensating controls such as management review, secondary approvals, reconciliations and enhanced Finance oversight were applied despite not being fully formalized yet. However, during 2025 these measures did not yet fully mitigate the risks arising from segregation of duties constraints, resulting in increased susceptibility to fraud risk in certain areas.

During 2025, additional steps were taken to further mature the control environment. These included the phased implementation of a global banking platform, reinforcement of the Delegation of Authority framework, and the formal expansion of the Internal Audit function. Towards the end of 2025, Internal Audit commenced the structured design, planning and initial execution of independent reviews of fraud-prone processes, with a risk-based focus on cash management, asset safeguarding and financial reporting. As part of this, Envipco engaged an external firm to perform procedures across its subsidiaries aimed at reviewing selected fraud-sensitive transactions and related controls. At year end, these activities were not yet completed, and no formal reports had been issued; however, based on the procedures performed to date, no indications of misconduct were identified.

The Company also supports a speak-up culture through formal whistleblowing mechanisms, allowing employees to report suspected misconduct confidentially and without fear of retaliation. Management recognizes that fraud risk cannot be eliminated entirely. In 2026, management expects to further execute the Internal Audit plan, formally receive and assess the outcomes of the external firm's procedures, and drive follow-up on identified observations and deficiencies, including the completion of actions initiated in 2025. Progress on remediation and control improvements is expected to be monitored by management and reported periodically to the Audit Committee, supporting continued oversight of fraud risks.

Fragmented and dated IT systems

Envipco is mitigating this risk through the implementation of a new global ERP system across all locations, which will progressively replace legacy platforms and manual processes. This multi-year program, expected to be completed by the end of 2027, is designed to create a unified system environment that enhances data accuracy, enables the use of more system driven preventive controls as well as harmonized detective controls, strengthens the reporting reliability, and reduces the likelihood of system failure.

The Company is also strengthening data governance and advancing process standardization, ensuring that core operational and financial procedures follow consistent definitions and controlled workflows across all regions. These measures support better data quality and contribute to a more robust internal-control framework.

In addition, Envipco is undertaking a phased reduction of manual processes and legacy applications, transitioning teams to modern, automated tools that improve efficiency, lower operational risk, and reduce the administrative burden on finance and support functions.

Corruption and bribery

Envipco operates across multiple jurisdictions and business models, which exposes the Company to anti-bribery and corruption (ABC) risk arising from interactions with customers, suppliers, third-party intermediaries and public authorities. The level and nature of ABC risk varies by geography, including operations in jurisdictions with lower corruption perception index scores, as well as markets subject to more stringent anti-bribery legislation such as the US, the UK and France.

ABC risk also arises through direct and indirect engagement with government bodies, state-owned entities, deposit return scheme operators and regulatory stakeholders, particularly in the context of market entry, DRS implementation, permitting processes and regulatory approvals. These interactions are recognized as inherently higher-risk and are subject to enhanced oversight.

Anti-corruption considerations are being embedded within key business processes, including contract acquisition, customer acceptance and third-party onboarding. This includes the use of contractual compliance clauses, integrity and third-party due-diligence procedures prior to entering new relationships, segregation-of-duties controls and defined approval thresholds in accordance with the Delegation of Authority framework.

In addition to established governance practices and the principles set out in the Code, ABC risk is actively monitored through the Company's enterprise risk management framework. This includes periodic reassessment via EMT- and Board-level risk workshops, inclusion in the Company risk register, ongoing management review, and escalation of issues to the EMT, the Audit Committee and the Board where appropriate.

The Company supports a speak-up culture through formal whistleblowing mechanisms that enable confidential reporting without fear of retaliation. During 2025, Internal Audit further strengthened its involvement by performing reviews of anti-corruption controls and third-party compliance processes, providing independent assurance as the ABC framework continues to mature.

Legal & regulatory risks

Regulatory and compliance risk

Envipco mitigates regulatory and compliance risk through ongoing monitoring of political, legal, and regulatory developments across all jurisdictions in which the Company operates, ensuring that emerging obligations, legislative changes, and governance expectations are identified early and incorporated into operational planning. The Company conducts periodic reassessments of compliance requirements related to product safety, tax, employment, and governance, ensuring that policies, procedures, and internal controls remain aligned with evolving national and international standards. These reassessments support timely remediation of gaps and strengthen the overall compliance framework.

The Company has integrated risk identification, monitoring, and compliance updates into the EMT and Board cycle, including structured mitigation reviews conducted during the February and October risk-workshop sessions. These sessions feed into the Company risk register and ensure that compliance considerations remain embedded in strategic and operational decision-making across the organization. Regulatory and compliance oversight is further reinforced through direct Board involvement, including formal responsibility for risk governance, approval of the Risk Management Framework and risk appetite, and ongoing review of compliance-related risks and mitigation plans. The Board actively challenges management on the robustness of controls and ensures that disclosures meet regulatory expectations.

Envipco's Internal Audit function provides independent assurance by testing compliance controls, reviewing alignment with regulatory requirements, and monitoring remediation activities. This strengthens control effectiveness and supports transparent reporting to the EMT, the Audit Committee, and the Board.

Evaluation of the risk management system (VOR Statement)

Envipco continues to develop and formalize its risk management and internal control framework in line with the Company's growth, increasing organizational complexity and expanding regulatory and reporting requirements. This framework is designed to identify, assess, manage and monitor the principal risks relevant to the achievement of Envipco's strategic, operational, financial reporting and compliance objectives.

Since the second half of 2024, the framework has been systematically enhanced and further embedded across the Company. In 2025, Envipco conducted its first formal, Company-wide risk assessments, applying a structured and risk-based approach. These assessments form the basis for prioritizing risks, defining mitigation measures and allocating ownership, and will continue to be expanded and refined in 2026 and subsequent years as part of the Company's continuous improvement cycle.

In support of the continued development of its risk management and internal control framework, Envipco established an Internal Audit function in the second half of 2024 and appointed a Director of Global Control & Internal Audit in 2025. The Internal Audit function plays a key role in the ongoing evaluation of the design and operating effectiveness of risk management and internal control systems, including the review of fraud-prone and other key processes. During the build-up phase of the Internal Audit function, external specialists have been engaged to perform internal audit procedures in selected areas, complementing internal capabilities.

The outcomes of the initial risk assessments, internal process and control reviews, external reviews, and other monitoring activities performed during 2025, indicate that, consistent with a rapidly growing organization, control deficiencies and improvement areas were identified. These deficiencies related primarily to the design of processes, the operating effectiveness of certain controls, and the further formalization, documentation and consistent application of procedures across all entities and processes.

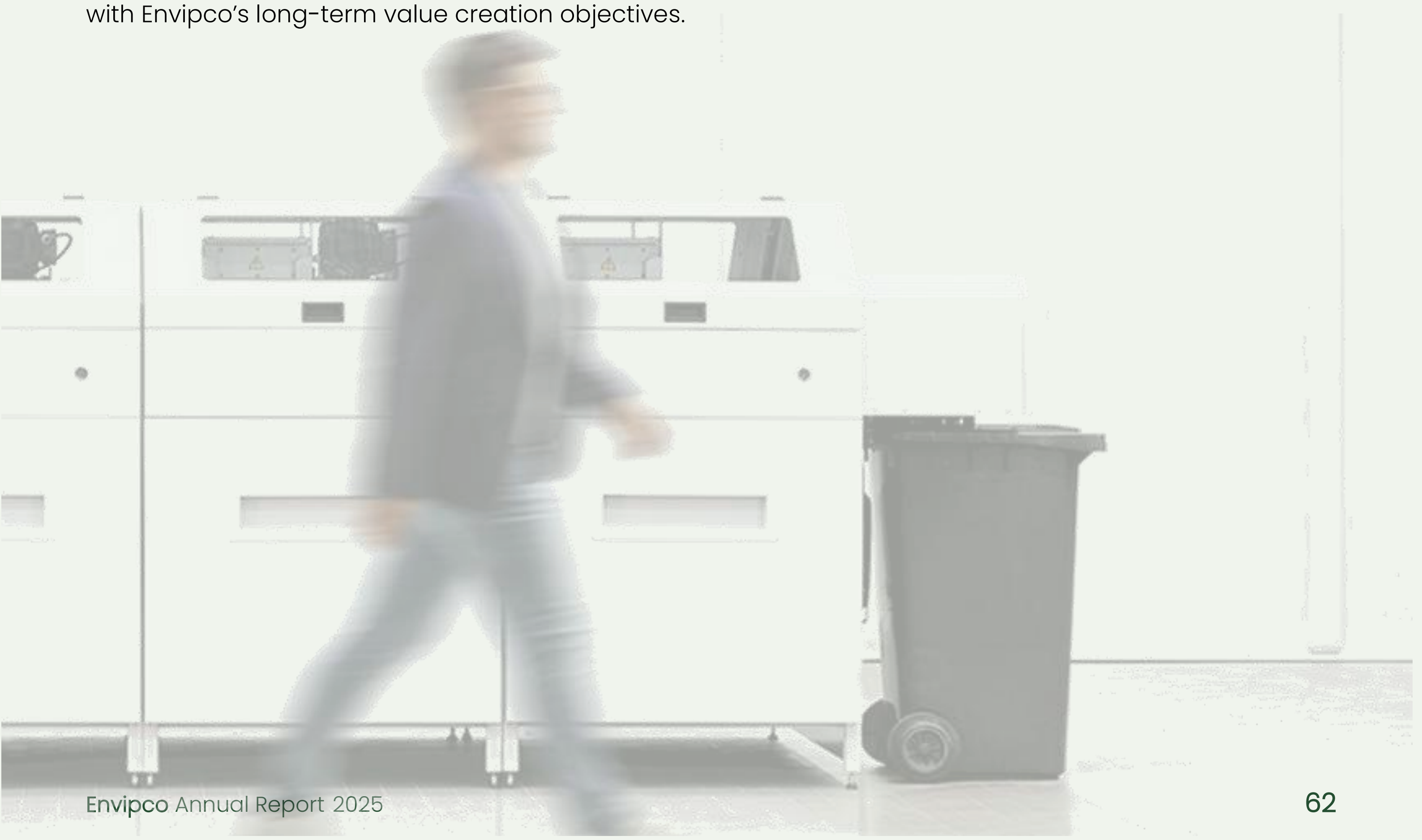
In particular, deficiencies were identified in elements of the financial reporting and consolidation processes. These included the level of formalized documentation of transactions and reconciliations, the consistent execution and evidence of review controls, the reliance on manual consolidation procedures and the availability of an appropriate audit trail. These areas required enhanced management attention and remediation during the year.

During 2025, management initiated remediation actions through a formal improvement plan, including enhanced monitoring, clearer allocation of responsibilities, additional review procedures and increased involvement of Group Finance and Internal Audit. While significant progress was made during 2025, it had not yet resulted in a fully mature or consistent internal control environment. As a result, the framework did not yet provide the same level of assurance across all areas during 2025, in particular in relation to the accuracy and documentation of financial reporting and consolidation processes.

Accordingly, in line with the DCGC, the Board states that:

- the Company's risk management and internal control systems were assessed during the year and are designed to provide reasonable assurance that principal strategic, operational, financial reporting and compliance risks are identified and managed appropriately, considering the inherent limitations of any system, the Company's growth phase and the ongoing maturation of the framework;
- no material failings were identified that would require significant adjustments to the financial statements, however, control deficiencies and areas for improvement were identified, particularly in financial reporting and consolidation processes which are being actively remediated;
- management evaluated the effectiveness of the risk management and internal control systems relating to reporting risks, including the processes supporting the preparation of the financial statements, which also considered the covenant breach disclosed in Note 1 of this annual report;
- the Board concluded that it was justified to prepare the financial statements for 2025 on a going-concern basis considering the disclosures included in Note 1 of this annual report.

Looking ahead, management expects that the formal **improvement plan** initiated in 2025 will continue into 2026, including further strengthening the design and operating effectiveness of controls, continued formalization of procedures, and follow on findings from internal and external reviews. The improvement plan will also address newly identified control deficiencies. Progress on remediation activities and enhancements is expected to be **monitored by management,** Internal Audit and the Audit Committee, supporting the continued development of the risk management and internal control framework in line with Envipco's long-term value creation objectives.



Substantial shareholdings

The Dutch Financial Supervision Act (Wet op het financieel toezicht¸ or the FSA) imposes an obligation on persons holding certain interests to disclose (inter alia) percentage holdings in the capital and/or voting rights in the Company when such holdings reach, exceed or fall below 3, 5, 10, 15, 20, 25, 30, 40, 50, 60, 75 and 95 percent as a result of an acquisition or disposal by a person, or as a result of a change in the Company's total number of voting rights or capital issued.

The statutory obligation to disclose capital interest relates not only to gross long positions, but also to gross short positions. Required disclosures must be made to the Dutch Authority for the Financial Markets (AFM) without delay. The AFM then notifies the Company of such disclosures and includes them in a register which is published on the AFM's website. Furthermore, an obligation to disclose (net) short positions is set out in the EU Regulation on Short Selling.

As of 31 December 2025, the ten largest shareholders controlled 46% of the total number of outstanding shares. According to notifications made to the AFM as set out in the publicly accessible register substantial holdings and gross short positions of the AFM at www.afm.nl, the following parties held a substantial holding of at least 3% of the Company's capital and/or voting rights as of 31 December 2025:

Holder [1]	Shares	Votes	% Capital	% Voting rights
Bouri Family [2]	8,923,803	8,923,803	13.5%	13.5%
G. Garvey [3] & family	7,351,980	7,351,980	11.1%	11.1%
Odin Fonder	5,915,155	5,915,155	9.0%	9.0%
DNB Asset Management	2,942,629	2,942,629	4.5%	4.5%
Lazard Freres Gestion	2,085,000	2,085,000	3.2%	3.2%

1) This table sets out the information on substantial holdings of each of the named parties based on the number of shares and voting rights notified by them to the AFM as of the applicable notification dates indicated below. The number of shares or voting rights as well as the percentage of shares or voting rights held by these parties at 31 December 2025 may be different.
2) Notification date 25 June 2024. The presented holding excludes the Bouri Family's right to acquire 1,850,000 shares from Mr. Gregory Garvey (at 31 December 2025, representing 2.79%) (see press release of 28 March 2023), which expires 28 March 2027. See additional information regarding the Bouri Family's holding below. Two members of the Bouri family sold a total of 7,932,267 shares in a secondary offering in January 2025, equivalent to 13.74% of outstanding shares.
3) Notification date 15 March 2024. The presented holding includes 1,850,000 shares which are subject to the abovementioned repurchase option of the Bouri Family.

Bouri family shareholding and Bouri family voting agreement

The Company's largest shareholding, historically held by Mr. Alexandre Bouri, is now held by members of his direct family (the Bouri Family), including Mr. Maurice Bouri, who serves as a non-executive director on the Board, and Mr. Mark Bouri, who previously acted as an advisor to the Board. Collectively, the Bouri Family initially held 19,830,670 shares in the Company and rights to acquire an additional 1,850,000 shares. Mr. Maurice Bouri and Mr. Mark Bouri each hold 2,974,601 shares and rights to acquire 277,500 shares.

In June 2024, one family member, L. Bouri, sold all shares owned in Envipco, totaling 2,974,600 shares, in a secondary offering. In January 2025, two other family members, K.E. Bouri and V. Bouri Tamari, sold all shares owned in Envipco, amounting to 4,957,667 shares and 2,974,600 shares, respectively, also in a secondary offering. As of 31 December 2025, the three remaining Bouri Family shareholders, C.M.A. Bouri, M. Bouri, and M.A. Bouri, are collectively holding 8,923,803 shares.

In relation to their collective shareholding in Envipco, the members of the Bouri Family are acting as a concert group and have entered into an agreement to pursue a sustained joint policy. The Bouri Family shareholdings as of 31 December 2025 are as follows:

Holder	Shares	Votes	% Capital	% Voting rights
Charles M.A. Bouri	2,974,601	2,974,601	4.5%	4.5%
Marc A. Bouri	2,974,601	2,974,601	4.5%	4.5%
Maurice A. Bouri	2,974,601	2,974,601	4.5%	4.5%
Total	**8,923,803**	**8,923,803**	**13.5%**	**13.5%**

Directors' interest in the share capital

As of 31 December 2025, the following Board members held shares in the Company:

Holder	Shares	Votes	% Capital	% Voting Rights
G. Garvey [1]	7,351,980	7,351,980	11.1%	11.1%
M. Bouri [1]	2,974,601	2,974,601	4.5%	4.5%
E. Thorsen	212,500	212,500	0.3%	0.3%
S. Bolton	112,074	112,074	0.2%	0.2%

Investor Relations and Shareholder Information

Envipco Holding N.V. shares are listed and freely traded on Euronext Amsterdam under the symbol ENVI and Euronext Oslo Børs under the symbol ENVIP.

Stakeholder communications

Envipco recognizes and acknowledges the importance of having a continuous and transparent dialogue with its stakeholders. The Company will seek to ensure that all stakeholders and market participants receive relevant, accurate and precise information related to the Company in a prompt and timely manner to ensure that the Company's share price reflects its underlying values and future prospects. The Investor Relations team strives to make itself available and meet with stakeholders, here under attend and meet stakeholders at relevant conferences and investor road shows and host open presentations in connection with its financial reporting, besides meeting requests for virtual meetings on an ongoing basis.

Envipco's Investor Relations policy is available on the Company's website www.envipco.com/investors under the Codes & Policies section and describes the guidelines under which the Company conducts its stakeholder communications.

Financial publications including quarterly and annual reports, presentations and press releases are published and made available on the company's website www.envipco.com/investors.

The Envipco share

Envipco has 66,090,377 shares outstanding each with a nominal value of EUR 0.05. Envipco did not hold any treasury shares as of 31 December 2025. The 2024 AGM granted the Board authorization to increase the Company's share count by up to 11,538,075 shares. The authorization is valid until 23 August 2026. In September 2025 the Company conducted a private placement raising gross proceeds of NOK 630 million from institutional investors by issuing 8,400,000 shares at NOK 75.

Share liquidity and performance

In 2025 Envipco's share price declined from EUR 5.45 to EUR 5.40 on Euronext Amsterdam and increased from NOK 64.0 to NOK 65.2 on Euronext Oslo. A total of 57.5 million Envipco shares were traded during 2025, of which 49.3 million on Euronext Oslo and 8.1 million on Euronext Amsterdam. The total number of traded shares increased 119% from 26.3 million in 2024.

Insider transactions

Envipco has published Insider Trading policy, made available on the Company's website under the Codes & Policies section. Mandatory notifications are published according to market regulations and filed with AFM.

Large shareholder notifications

As a Dutch company Envipco Holding N.V. is required to file according to AFM regulations. Shareholders owning 3% or more of the issued capital of the Company must report this to the AFM promptly without delay.

Remuneration Report

This Remuneration Report reflects the provisions of EU Shareholder Rights Directive that became effective in the Netherlands in 2019. Our non-executive directors annually propose the remuneration of the individual executive members of our Board to the AGM. Customary benefits are provided to the executive director in line with respective industry and country practice.

The short-term compensation of the executive director includes both fixed and variable compensation, which is dependent upon the area of individual responsibility, expertise, position experience, conduct and performance. The variable component of up to 50% of base salary is discretionary and dependent upon specific performance criteria such as EBITDA and aligned with the long-term performance measure of the Company and reviewed on an annual basis. There is no possibility of reclaiming variable compensation. For 2025, in line with 2024 and 2023, the variable compensation was based on specific performance measures and goals including EBITDA, share price and market capitalization and appropriate bonus based thereon was established. The LTIP was implemented in 2023 as further explained below.

The Remuneration Policy for non-executive directors is based on peer market groups similar to that used for executive management. Consistent with the DCGC, the remuneration of the non-executive directors is not dependent on the Company's results. The non-executive chairman of the Board is entitled to an annual remuneration of €50 thousand and each other non-executive director is entitled to an annual remuneration of €30 thousand. In addition, non-executive directors receive fees for their participation in Board committees. These consist of the following: Audit Committee – Chair €6 thousand and members €4 thousand; Remuneration Committee – Chair €5 thousand and members €3 thousand; and Nomination Committee – Chair €5 thousand and members €3 thousand. These committee fees are included in the total remuneration disclosed in the Remuneration Report.

Long-term incentive plan for executive management

The LTIP for executive management was approved and communicated in 2023, a so-called shadow share plan. Shadow shares represent the conditional right to receive a performance-based bonus payment in cash. The fair value of the liability as of the balance sheet date was determined by reference to the fair value of each awarded shadow shares (incorporating the strike price of the shadow shares and the fair value of the ordinary shares of the Company), taking into account the estimated outcome of applicable service and non-market performance conditions in the number of shadow shares that is expected to vest. All participants are required to remain in service until the end of the grant period.

Remuneration report

The remuneration of the Board charged to the result in 2025 was €1,044 thousand (2024: €1,625 thousand), which can be specified as follows:

in € thousands	Fixed Salary-Fee	Short-Term Incentive Plan	Fringe Benefits	Pension Cost	Long-Term Incentive Plan	Total	Proportion Fixed and Variable
2025							
S. Bolton[1]	442	162	147	75	-	826	80/20
G. Garvey	58	-	-	-	-	58	100/0
A.J. Aas	39	-	-	-	-	39	100/0
M. Bouri[2]	17	-	-	-	-	17	100/0
A. Cormack	34	-	-	-	-	34	100/0
C. Gylche[3]	34	-	-	-	-	34	100/0
E. Thorsen[4]	35	-	-	-	-	35	100/0
Total	**659**	**162**	**147**	**75**	**-**	**1,043**	
2024							
S. Bolton[1]	433	120	123	-	554	1,230	40/60
G. Garvey	50	-	-	-	-	50	100/0
A.J. Aas	30	-	-	-	-	30	100/0
M. Bouri[2]	200	25	-	-	-	225	89/11
A. Cormack	30	-	-	-	-	30	100/0
C. Crepet	15	-	-	-	-	15	100/0
C. Gylche[3]	15	-	-	-	-	15	100/0
E. Thorsen[4]	30	-	-	-	-	30	100/0
Total	**803**	**145**	**123**	**-**	**554**	**1,625**	

1) Mr. Bolton was an executive director on the Board from 1 July 2020 until his departure from Envipco on 30 April 2026.
2) Mr. Bouri acted as executive director on the Board until 5 August 2025, after which date he became a non-executive Board member.
3) Ms. Gylche started as non-executive director on the Board member on 23 August 2024.
4) Mr. Thorsen has been a non-executive director on the Board member since 15 August 2023.

The fixed compensation of executive director is annually determined by the non-executive directors as proposed by the Remuneration Committee. The variable compensation is based on the realization of set targets and is approved by the non-executive directors. The variable compensation in 2025 for Simon Bolton was €162 thousand (2024: €120 thousand) as Simon continued to grow the business, drove leadership development, and continued to strengthen the foundation for future performance and control.

The variable compensation for Maurice Bouri has ended and he did not receive any variable compensation over 2025 in his capacity of executive director (2024: €25 thousand). Mr. Bouri only received the fixed fee in his capacity as a non-executive Board member.

As part of the LTIP, 450,000 shadow shares were granted to Simon Bolton on 1 January 2025. As Simon Bolton has decided to leave the Company as of 30 April 2026, this plan has been terminated. See Note 9 for more details on the LTIP.

Pension entitlements for Simon Bolton consist of €75 thousand (2024: €0). Fringe benefits consist of social security and other costs paid by the employer €146 thousand (2024: €123 thousand). The comparative information for 2024 has been updated to reflect full employer contributions.

In accordance with Best Practice Provision 3.4.1 of the DCGC, the Company discloses the pay ratio within the Board. Given Envipco's one-tier board structure, and the fact that during the financial year 2025 the Board comprised only one executive director, no internal pay ratio between executive directors can be presented.

The pay ratio of the CEO in comparison with the average benefit cost per employee was 10 in 2025 (2024: 17). The pay ratio is calculated as total benefits paid, excluding Board compensation, to employees' average benefit expense per employee for the year.

The table below shows the year-over-year change in remuneration of the Board members including the change in EBITDA for those years:

	2021	2022	2023	2024	2025
Executive members					
S. Bolton	129%	(7%)	42%	54%	(33%)
Non-executive members					
G. Garvey	(4%)	(2%)	10%	(9%)	16%
A.J. Aas	100%	100%	-	-	30%
A. Cormack	-	100%	100%	-	13%
C. Gylche[1]	-	-	-	100%	127%
E. Thorsen[2]	-	-	100%	100%	17%
M. Bouri[3]	-	100%	950%	(29%)	(92%)
C. Crepet	25%	20%	-	(50%)	(100%)
T.J.M. Stalenhoef	10%	(67%)	(100%)	-	-
D. D'Addario	-	100%	(100%)	-	-
EBITDA[4]	53%	(59%)	265%	54%	(94%)
Change in employee average compensation	(7%)	6%	(8%)	(2%)	(26%)

1) Ms. Gylche started as Board member on 23 August 2024.
2) Mr. Thorsen has been a non-executive director since 15 August 2023.
3) Mr. Bouri has been appointed as non-executive director on 5 August 2025, after two years being an executive director.
4) EBITDA, not being a defined performance measure in IFRS, is defined in the Other Information section of this report.

The Board considers the level and structure of the executive director's remuneration to be appropriate and in line with the Company's remuneration policy, market practice and the responsibilities and performance of the executive director.

Board Responsibility Statement

The Company's Board is responsible for the preparation of the annual report and the consolidated and company financial statements for the financial year ended 31 December 2025, ensuring they provide a true and fair view of the assets, liabilities and financial position. In fulfilling this responsibility, the Board has established and maintained appropriate internal control and risk management systems relating to financial reporting and has assessed the appropriateness of the going concern basis of accounting.

Annual declaration on internal risk management and control systems

Based on this Annual Report and in accordance with best practice provision 1.4.3 of the Dutch Corporate Governance Code (as adopted on 20 December 2022, and effective as of 1 January 2023), and the Board acknowledges that during the financial year 2025 the Company's internal risk management and control systems were applied and monitored in a developing control environment reflecting the Company's growth phase. During the year, management and the Board assessed the design and operation of the systems, including those relevant to financial reporting and the management of principal strategic, operational and compliance risks, as described in the Risks & Uncertainties section of this Annual Report.

Accordingly, the Board confirms that, to the best of its knowledge:

- the internal risk management and control systems provide reasonable assurance that financial reporting does not contain material inaccuracies;
- with respect to operational and compliance risks, the internal risk management and control systems, in conjunction with management oversight and monitoring activities, provided reasonable assurance that these risks were identified, assessed and managed on a timely basis during 2025, considering the Company's growth phase and the maturity of the control environment;
- no material failings were identified that would require significant adjustments to the financial statements for 2025;
- the continuity of the Company has been assessed and it was concluded that it is justified to prepare the financial statements for 2025 on a going-concern basis, taking into account the covenant breach and the related disclosures in Note 1 of this Annual Report;
- the Company's improvement plan will be continued into 2026 to further strengthen the design and operating effectiveness of controls and to further formalize procedures, including follow-up on findings from internal and external reviews and addressing newly identified risks and control deficiencies, with progress monitored by management and reported periodically to the Audit Committee.

The Board notes that the internal risk management and control systems are designed to provide reasonable assurance, but cannot provide absolute assurance, that the Company will achieve its objectives or that all risks, misstatements, errors, fraud or instances of non-compliance with laws and regulations will be prevented or detected in a timely manner. These inherent limitations apply to any system of internal control, particularly in a rapidly growing and evolving organization.

Declarations

As required by section 5:25c paragraph 2(c) of the Dutch Financial Supervision Act, the Board members hereby confirm that to the best of their knowledge:

- The financial statements 2025 of Envipco included in this Annual Report give a true and fair view of the assets, liabilities, financial position and profit or loss of Envipco and its affiliated subsidiaries included in the consolidation taken as a whole;
- The management report of Envipco gives a true and fair view of the position at the balance sheet date, the development and performance of the business during the financial year 2025 and the affiliated subsidiaries included in the consolidation together with a description of the principal risks and uncertainties that Envipco faces.

Gregory Garvey, Chairman

Anne Jorun Aas, Non-Executive Director

Ann Cormack, Non-Executive Director

Charlotta Gylche, Non-Executive Director

Erik Thorsen, Non-Executive Director

Maurice Bouri, Non-Executive Director

José Matthijsse, Executive Director & CEO
Appointed 30 April 2026

Patrick Gierman, Executive Director & CFO
Appointed 30 April 2026

General Meetings of Shareholders and voting rights

An AGM is to be held within six months of the end of every financial year. The main purpose of the AGM is to decide on matters as specified the Company's Articles of Association and under Dutch law, such as the adoption of the financial statements and the discharge of the executive and non-executive members of the Board of their respective executive and non-executive duties. Extraordinary General Meetings of Shareholders are held if the Board or any of its members deem it necessary.

An AGM shall be convened at least 42 days before the day of the meeting. The notice convening any AGM shall contain an agenda indicating the items for discussion included therein. The notice for convening the AGM shall mention the registration date and the manner in which the persons with meeting rights at the AGM may procure their registration and the way they may exercise their rights. The registration date is the twenty-eighth day prior to the date of the AGM.

Every shareholder may attend, speak at and vote at the AGM. Decisions of the AGM are taken by a majority of three/fourths of the votes validly cast, except where Dutch law or the Company's Articles of Association provide for a special or greater majority.

Future expectations

In line with applicable reporting requirements and to the extent that this does not conflict with the Company's vital interests, the Board provides the following overview of expected developments.

Capital expenditures

The Company expects continued capital expenditures focused primarily on product development, technology platform enhancements, and manufacturing and IT infrastructure. Capital investment priorities include further development of modular RVM platforms, selective tooling and production capacity investments, and continued progress in digitalization and ERP implementation.

Financing

Envipco expects to finance its operations and strategic initiatives through a combination of operating cash flows, existing financing arrangements and, where appropriate, capital market instruments. During 2025, the Company strengthened its balance sheet through a private placement. The Board continuously monitors the Company's liquidity position, access to financing and covenant compliance, and considers additional financing options if required to support growth and market expansion.

Staffing

As the organization continues to scale, Envipco anticipates a gradual increase in staffing in selected areas, particularly in engineering, operations, market development and finance. Continued investments in organizational capacity, internal controls and governance functions are considered critical to support sustainable growth and compliance with increased regulatory requirements.

Conditions affecting revenue and profitability

The development of Envipco's revenue and profitability is dependent on several external and internal factors, including the timing and pace of new and expanded DRS rollouts, customer order intake, successful execution of projects, competitive market dynamics, and the Company's ability to manage costs, supply chains and pricing. Profitability is further influenced by operating leverage, efficiency gains, and the mix of products and services delivered across markets.

Decree Article 10 EU Takeover Directive

Pursuant to the Implementing Decree of 5 April 2006 relating to Article 10 of Directive 2004/25/EC on takeover bids, Envipco includes the following explanatory notes:

- The Company's share capital consists solely of ordinary shares. As of 31 December 2025, Envipco had issued 66,090,377 ordinary shares.
- The Board is authorized to issue shares and grant rights to subscribe for shares only to the extent such authority has been delegated by the AGM and within the limits set by such delegation. The AGM may further authorize the Board to exclude or limit statutory pre-emptive rights. The acquisition by the Company of its own shares is permitted only pursuant to an authorization granted by the AGM, in accordance with Article 2:98 of the Dutch Civil Code.
- The Articles of Association do not provide for any limitation on the transferability of the shares, and there are no restrictions on voting rights. Each share carries one vote. No securities with special control rights have been issued, and no agreements exist that may restrict the transfer of shares or the exercise of voting rights.

- Significant direct and indirect shareholdings are set out in this report under the section "Substantial holdings."
- As of 31 December 2025, the Bouri Family held 13.5% (31 December 2024: 29.22%) of the Company's shares. The members of the Bouri Family act in concert pursuant to a voting agreement within the meaning of section 5:45(5) of the FSA. The Bouri Family is exempt from the mandatory offer obligation of section 5:70 of the FSA pursuant to section 5:71(1)(g) of the FSA. Further details are provided under "Bouri Family shareholding and Bouri Family Voting Agreement."
- Envipco does not operate any employee share scheme in which control rights are not exercised directly by the employees.
- The Company entered into financing arrangements that contain customary change-of-control provisions. In the event of a change of control following a public offer within the meaning of section 5:70 of the FSA, such provisions may entitle lenders to cancel commitments and require early repayment of outstanding amounts. Other than these financing arrangements, the Company is not a party to any material agreements that come into effect, are amended or are terminated due to a change of control following such a public offer

Unless otherwise specified by the Articles of Association, resolutions of the AGM are adopted by a majority of three-fourths (75%) of the votes cast.

- The AGM shall appoint the members of the Board and may at any time suspend or remove any member of the Board. The non-executive members of the Board shall determine the remuneration and the terms and conditions of employment for the executive director separately. The remuneration for the non-executive members of the Board shall be determined by the AGM.
- The AGM may resolve to amend the Articles of Association.
- The issue of new shares or granting of rights to subscribe for shares shall be by a resolution of the AGM or by the Board if the Board has been designated as the body with this power by a resolution of the AGM, for a period not exceeding five years. On 23 August 2024 the AGM delegated its powers to issue shares or grant rights to subscribe for shares and to exclude pre-emptive rights in relation thereto to the Board up to a maximum of 20% of the number of outstanding shares on 23 August 2024 (i.e. up to 11,538,075 Shares).
- The Company is entitled to buy back fully paid-up shares in its own share capital for consideration, with due observance of Article 2:98 of the Dutch Civil Code. As per Article 2:98 of the Dutch Civil Code, a buy-back of shares is only possible if the AGM has authorized the Board for this purpose. This authorization is valid for a maximum of eighteen months. On the date of this report, there is no such authorization outstanding.

Financial Statements

Consolidated Statement of Comprehensive Income

in € thousands	Note	2025	2024
Revenues	(6)	90,348	114,014
Cost of sales	(9, 14 & 17)	(60,180)	(71,675)
Gross Profit		**30,168**	**42,339**
Selling and distribution expenses		(5,003)	(4,402)
General and administrative expenses		(32,637)	(31,794)
Research and development expenses		(4,183)	(2,479)
Operating Expenses	(8)	**(41,823)**	**(38,675)**
Other income and expenses	(8)	4,044	38
Operating Profit/(Loss)		**(7,611)**	**3,702**
Financial expense	(10)	(2,589)	(3,062)
Financial income	(10)	226	75
Profit/(Loss) before Tax		**(9,974)**	**715**
Income taxes	(11)	(753)	(3,691)
Net Profit/(Loss)		**(10,727)**	**(2,976)**
Other Comprehensive Income to Be Reclassified to Profit or Loss in Subsequent Periods			
Exchange differences on translating foreign operations		(2,638)	1,472
Total Comprehensive Income/(Loss)		**(13,365)**	**(1,504)**
Profit Attributable to:			
Owners of the parent		(10,727)	(2,967)
Non-controlling interests		(0)	(9)
Total Profit/(Loss) for the Period		**(10,727)**	**(2,976)**
Total Comprehensive Income/(Loss) Attributable to:			
Owners of the parent		(13,365)	(1,495)
Non-controlling interests		(0)	(9)
		(13,365)	**(1,504)**
Number of weighted average shares used for calculations of EPS		59,923	56,507
Earnings/(loss) per share for profit attributable to the ordinary equity holders of the parent during the period			
- Basic (euro)	(12)	(0.18)	(0.05)
- Fully diluted (euro)	(12)	(0.18)	(0.05)

The Notes to the financial statements in this report are an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position

in € thousands	Note	2025	2024
Assets			
Non-current assets			
Intangible assets	(13)	14,082	14,925
Property, plant and equipment	(14)	24,045	23,662
Financial assets	(15)	2,492	2,889
Deferred tax assets	(16)	564	478
Total non-current assets		41,183	41,954
Current assets			
Inventory	(17)	29,352	28,878
Trade and other receivables	(18)	29,566	34,318
Cash and cash equivalents	(19)	59,859	30,748
Total current assets		118,777	93,944
Total assets		159,960	135,898
Equity			
Share capital	(20)	3,305	2,885
Share premium	(20)	147,142	96,129
Translation reserves	(20)	3,344	5,982
Legal reserves	(20)	7,239	7,072
Retained earnings	(20)	(57,602)	(46,875)
Equity attributable to owners of the parent		103,428	65,193
Non-controlling interests		32	32
Total equity		103,460	65,225
Liabilities			
Non-current liabilities			
Borrowings	(21)	1,700	8,164
Lease liabilities	(21)	5,281	4,834
Other liabilities	(21)	530	4,521
Provisions	(22)	1,013	568
Deferred tax liability	(16)	40	48
Total non-current liabilities		8,564	18,135
Current liabilities			
Borrowings	(21)	17,103	18,771
Trade creditors	(5)	15,110	16,506
Accrued Expenses, Deferred revenue and Other current liabilities	(24)	9,958	11,127
Provisions	(22)	573	1,210
Lease liabilities	(21)	2,378	1,633
Tax and social security	(24)	2,814	3,291
Total current liabilities		47,936	52,538
Total liabilities		56,500	70,673
Total equity and liabilities		159,960	135,898

The Notes to the financial statements in this report are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flow

in € thousands	Note	2025	2024
Cashflow from operating activities			
Operating results		(7,611)	3,702
Adjustment for:			
Amortization	(13)	3,053	2,424
Depreciation	(14)	5,695	5,771
Changes in:			
Changes in trade and other receivables		4,753	(11,083)
Changes in inventories		(473)	4,260
Changes in provisions		(190)	(235)
Changes in trade and other payables		(7,808)	(1,892)
Changes in deferred revenue		772	(4,546)
Cash generated from operations		**(1,810)**	**(1,599)**
Interest received		-	30
Interest paid		(2,544)	(1,138)
Income taxes paid		(914)	(1,372)
Net cash flow from operating activities		**(5,268)**	**(4,079)**
Investing activities			
Development expenditure, patents	(13)	(2,266)	(1,547)
Investments in property, plant & equipment	(14)	(4,743)	(7,260)
Acquisitions, net of cash acquired	(13)	-	(1,466)
Net cash flow used in investing activities		**(7,009)**	**(10,273)**
Financial activities			
Proceeds of share issue	(20)	51,600	24,756
Changes in borrowings – proceeds	(21)	11,000	10,364
Changes in borrowings – repayments	(21)	(17,872)	(575)
Changes in lease liabilities		(2,388)	(1,941)
Net cash flow from financing activities		**42,340**	**32,604**
Net increase/(decrease) in cash and cash equivalents		**30,065**	**18,252**
Opening position		30,748	12,458
Foreign currency differences on cash and cash equivalents		(954)	38
Total closing balance in cash and cash equivalents	(19)	**59,859**	**30,748**

The Notes to the financial statements in this report are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

in € thousands	Share Capital	Share Premium	Translation Reserve	Legal Reserve	Retained Earnings	Total	Non-Controlling Interests	**Total Equity**
Balance at 1 January 2024	**2,585**	**71,021**	**4,510**	**7,725**	**(43,908)**	**41,933**	**41**	**41,974**
Changes in equity for 2024								
Net profit/(loss) for the year	-	-	-	-	(2,967)	**(2,967)**	(9)	**(2,976)**
Other comprehensive income								
- Currency translation	-	-	1,472	-	-	**1,472**	-	**1,472**
Total comprehensive income for the period	**-**	**-**	**1,472**	**-**	**(2,967)**	**(1,495)**	**(9)**	**(1,504)**
Share issue	300	24,455	-	-	-	**24,755**	-	**24,755**
Legal reserve	-	653	-	(653)	-	**-**	-	**-**
Balance at 31 December 2024	**2,885**	**96,129**	**5,982**	**7,072**	**(46,875)**	**65,193**	**32**	**65,225**
Changes in equity for 2025								
Net profit/(loss) for the year	-	-	-	-	(10,727)	**(10,727)**	-	**(10,727)**
Other comprehensive income								
- Currency translation	-	-	(2,638)	-	-	**(2,638)**	-	**(2,638)**
Total comprehensive income for the period ended 31 December 2025	**-**	**-**	**(2,638)**	**-**	**(10,727)**	**(13,365)**	**-**	**(13,365)**
Share issue	420	51,180	-	-	-	**51,600**	-	**51,600**
Legal reserve	-	(167)	-	167	-	-	-	**-**
Balance at 31 December 2025	**3,305**	**147,142**	**3,344**	**7,239**	**(57,602)**	**103,428**	**32**	**103,460**

The Notes to the financial statements in this report are an integral part of these consolidated financial statements.

Notes to Consolidated Financial Statements

Note 1 - General information

Reporting entity

Envipco Holding N.V. is a public limited liability company, listed on Euronext Amsterdam and Euronext Oslo, incorporated in accordance with the laws of The Netherlands. Envipco Holding N.V. is a holding company and is incorporated in Amsterdam, with its registered address at Stationsstraat 77, 3811 MH, Amersfoort, The Netherlands (Chamber of Commerce number: 33304225).

Envipco Holding N.V. and subsidiaries (Envipco or the Company) 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 US and Europe.

Financial reporting period

These financial statements cover the year 2025, which ended at the balance sheet date of 31 December 2025, and were authorized for issuance on 11 July 2026.

Going concern

The consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will continue to operate for the foreseeable future. In assessing the appropriateness of the going concern assumption, management considered the Company's projected cash flows, liquidity position, capital structure and access to committed financing facilities, considering both operational and financial factors.

Business context and growth profile

Envipco's medium- and long-term growth is expected to be driven by the continued roll-out of Deposit Return Schemes (DRS) across Europe following the entry into force of the Packaging and Packaging Waste Regulation (PPWR) on 11 February 2025. The PPWR replaces the previous Packaging Directive and requires Member States to implement DRS by 2030, significantly increasing demand for reverse vending machines and related services.

As Envipco's growth trajectory is closely linked to the timing of national DRS implementations, which are outside the Company's control, some volatility in quarterly results is inherent to the business model, particularly during periods of market launch and ramp-up.

Forecasts and liquidity

At year-end, the Company held EUR 60 million in cash and cash equivalents and has access to a committed EUR 10 million revolving credit facility (RCF). The Company's available liquidity is primarily the result of the equity capital raise completed in August 2025, which increased cash resources and supported the Company's funding requirements and liquidity planning for the forecast period. On this basis, liquidity risk is currently considered limited, and the Company has adequate financial headroom to absorb timing volatility in cash inflows associated with market launches and ramp-ups.

Further, management prepared EBITDA and cash flow forecasts based on the Company's actual results through April 2026, combined with an updated forecast covering the period from May 2026 to September 2027 and performed scenario analyses reflecting reasonably possible downside developments. These forecasts are inherently subject to uncertainties, including assumptions regarding the timing and scale of implementations of regulated DRS schemes such as Poland (live in October 2025), Portugal (live in April

2026), and the United Kingdom (expected to go live in October 2027), and the successful winning of orders and opportunities in these countries.

These uncertainties are also relevant to forecast covenant calculations, as covenant compliance depends on the expected timing and phasing of revenues, EBITDA generation and related cash flows. As a result, there is a risk that, specifically for the financial year 2026, actual performance may differ from forecast assumptions to such an extent that the applicable covenants are not met again, which would constitute a breach of the financing arrangements for 2026.

Under all scenarios assessed, the Company is expected to have sufficient liquidity to meet its obligations as they fall due given the cash available and access to the RCF.

The most relevant key figures in the context of the going concern assessment as at the balance sheet date are as follows (based on the final consolidated financial statements):

		2025	2024
Company equity	*in € millions*	103.5	65.2
EBITDA[1]	*in € millions*	1.1	11.9
Gross working capital[2]	*in € millions*	58.9	63.2
Solvency ratio[3]	%	69	39
Liquidity ratio[4]		2.5	1.8
Debt service coverage[5]		0.1	1.4
Net debt[1] / EBITDA[1]		(36.1)	(0.3)

1) EBITDA and Net Debt are not defined performance measures in IFRS but are defined in the Other Information section of this report.
2) Calculated as current assets, excluding cash and cash equivalents.
3) Calculated as adjusted total equity divided by adjusted total assets. Adjustments to total equity and total assets exclude revaluation reserves, intangible assets and participations from the calculation.
4) Calculated as total current assets divided by total current liabilities.
5) Calculated as (EBITDA + tax expense + operating cash flow + gross investments + proceeds from long-term debt) ÷ (net interest expense + scheduled debt repayments).

Covenant compliance

At 31 December 2025, the Company did not comply with the Debt Service Coverage Ratio (DSCR). The Company remained in compliance with its other financial covenants at the reporting date which are primarily balance sheet-based and leverage-related. The DSCR breach did not result in an immediate liquidity constraint, as the Company maintained substantial cash balances at year-end, largely derived from the 2025 equity issuance.

The DSCR shortfall resulted from a lower-than-estimated EBITDA outcome in 2025, primarily reflecting the timing of DRS implementations and associated installation schedules in a number of European markets. Revenues originally expected to be recognized in late 2025 shifted into 2026, while certain fixed operating costs, inventory build-up and preparatory capacity investments were incurred ahead of market go-lives

Following the covenant breach, the Company entered into discussions with its lenders and requested waivers in respect of the DSCR covenant. On 23 April 2026, subsequent to the reporting date, the Company received formal waivers from its lenders. The waivers did not result in any amendments to the covenant levels or other material terms of the financing arrangements.

In assessing the implications of the covenant breach, management considered the EBITDA recovery based on the forecasts prepared, available liquidity, committed financing headroom and the Company's strengthened equity position following the equity capital raise completed in August 2025. Demand for the Company's solutions continues to be supported by regulatory DRS frameworks across Europe, while leverage remains conservative and cash flow generation is expected to improve as recently launched and upcoming DRS markets mature.

The DSCR breach is considered temporary and timing-driven. A number of previously delayed DRS markets have progressed into rollout phases, and deferred installations are expected to convert into revenue during 2026 with recurring service income expected to increase and working capital requirements expected to normalize as market activity resumes. The Company continued to maintain an adequate capital structure, liquidity position and equity base throughout the period. The Company's medium-term outlook continues to be supported by expected DRS rollouts across Europe. New markets, including the United Kingdom, are expected to roll out DRS systems from 2027 onwards, driven by regulatory developments and expected positive dynamics as European DRS markets mature

Based on the Company's actual results through April 2026, combined with an updated forecast covering the period from May 2026 to September 2027 - including scenario analyses reflecting reasonably possible downside developments - management expects to generate positive cash flows and improve EBITDA, enabling full compliance with all debt covenants in the second half of 2026. While this assessment is based on the forecasted period of twelve months after the date of approval of the annual report, it is inherently subject to uncertainty, as forecasts depend on assumptions regarding future events and market conditions.

Based on the Company's liquidity and equity positions, access to committed revolving credit facilities, and the EBITDA and cash flow forecasts, management considers the DSCR breach to be primarily timing-related in nature and does not affect the Company's underlying business model or long-term growth strategy. The strong liquidity position primarily reflected the equity capital raise completed in August 2025, which significantly strengthened the balance sheet and reduced short-term refinancing risk. Therefore, management concluded that the covenant breach does not give rise to a material uncertainty in respect of the Company's ability to continue as a going concern.

Further details on covenant compliance and related accounting classification are provided in Note 21.

Note 2 - Basis of preparation

Statement of compliance

These consolidated financial statements are part of the Company's statutory financial statements. These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS) and with Section 2:362(9) of the Dutch Civil Code. The annual report has been prepared in ESEF and is in accordance with the requirements as set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

These financial statements have been approved for issue by the Envipco Board on 11 July 2026 and are subject to adoption by the shareholders at the AGM. All amounts are in thousands of euros unless stated otherwise.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity are disclosed in Note 3.

Basis of measurement

Due to rounding, numbers presented may not add up precisely to the totals provided. Valuation of assets and liabilities and determination of the result take place under the historical cost convention. Unless presented otherwise at the relevant principle for the specific balance sheet item, assets and liabilities are presented at amortized costs. Income and expenses are accounted for on accrual basis. Losses originating before the end of the financial year are included if they have become known before preparation of the financial statements. Revenues from goods are recognized either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers. The cost of these goods is allocated to the same period. Revenues from services are recognized in proportion to the services rendered. The cost of these services is allocated to the same period.

Measurement of fair values

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or;
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming market participants act in their economic best interest. A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset at its highest and best use or by selling it to another market participant that would use the asset at its highest and best use.

The Company applies the fair value hierarchy to the measurement of contingent consideration arising from the Sensibin acquisition, which was completed in 2024. The contingent consideration is measured at fair value at each reporting date in accordance with IFRS requirements. Further details are provided in Note 24.

Use of judgment and estimates

In preparing these consolidated financial statements, management has made judgments and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the year ending 31 December 2025 is included in the following notes:

- Note 1 – Going concern assessment, including key assumptions applied in the preparation of cash flow forecasts, such as revenue growth, EBITDA generation, working capital movements, capital expenditures and compliance with financing arrangements and covenant requirements
- Note 3 – Critical accounting estimates and judgments, including the fair value measurement of contingent consideration related to the 2024 Sensibin acquisition
- Note 6 – Revenue recognition (IFRS 15)
- Note 13 – Impairment test of intangible assets and classification of the 2024 Sensibin acquisition as an asset deal under IAS 38 rather than a business combination under IFRS 3
- Note 14 – Lease accounting (IFRS 16)
- Note 16 – Recognition of deferred tax assets and availability of future taxable profit against which tax losses carried forward can be used
- Note 17 – Inventory valuation (net realizable value assessments)
- Note 22 – Warranty provisions

The application of the Company's accounting policies requires management to make judgments and estimates that affect the reported amounts of assets, liabilities, income and expenses. The most significant judgments and sources of estimation uncertainty related to the areas disclosed in the notes referenced above.

Reporting errors and changes in prior periods

Adjustments to or restatements of the Company's financial statements, if any, are based on management's judgment as to whether a restatement is required, considering materiality of the error. Envipco clearly discloses any restatements made, including their nature.

During the prior financial year, the Company identified and corrected previously omitted lease contracts, which resulted in an adjustment to the opening balances of right-of-use assets and lease liabilities. Management assessed the impact of this correction to be immaterial to the previously issued consolidated financial statements. Further details are disclosed in Note 14.

During the preparation of the current year financial statements, management identified a presentation error in the prior year legal entity performance disclosure, whereby Romania revenue for 2024 was incorrectly disclosed as €49,875 due to a transposition error. The correct amount is €49,785. The error relates solely to the narrative disclosure of legal entity performance and does not affect the primary financial statements or any underlying accounting records. Management has assessed the impact of this error as immaterial, both quantitatively and qualitatively. The comparative information presented in Note 6 has been corrected accordingly.

In the segment reporting disclosure table of Note 6, the comparative figures for revenue by revenue stream have been updated to align the presentation of revenue from certain North America throughput contracts with the current year presentation. Amounts previously presented within leasing revenue are now presented within service revenue, reflecting the nature of the related contractual throughput activities. This change relates solely to the presentation of revenue between revenue stream categories within the segment reporting disclosure and has no further impact.

The comparative remuneration disclosure for 2024 has been updated to include the UK-paid portion of Simon Bolton's fringe benefits. This resulted in an additional amount of EUR 109 thousand being reflected in the 2024 comparative remuneration information. The update relates solely to the presentation of remuneration disclosures and not to the related costs incurred for that period. The change was made to reflect the full employer-paid benefits consistently and to enable comparability with the 2025 remuneration disclosure, see Note 9 and the Remuneration Report.

No other prior-period errors or restatements have been identified.

After publication of the preliminary fourth quarter 2025 financial results, the following material adjustments have been reflected in the final audited financial statements for the year ended 31 December 2025:

- Due to the breach of the DSCR debt covenant and the timing of the receipt of the lenders' waivers, the related borrowings have been reclassified from a long-term to a current liability in accordance with the requirements in IAS 1.

Note 3 - Summary of material accounting policies

Standards issued and effective

A number of new standards and amendments are effective for annual periods beginning after 1 January 2025. None of these standards are expected to have a material impact on the recognition or measurement of amounts in the Company's consolidated financial statements. However, certain standards, including IFRS 18 – Presentation and Disclosure in Financial Statements, are expected to impact the presentation and disclosure of information in the consolidated financial statements once effective.

Standards issued but not yet effective

Certain new accounting standards and amendments to standards have been published that are not mandatory for reporting periods starting on or after 1 January 2025 and have not been early adopted by the Company. None of these standards is expected to have a material impact on the recognition or measurement of amounts in the Company's consolidated financial statements. The Company continues to assess the potential impact on presentation and disclosure, including with respect to IFRS 18.

Basis of preparation and accounting policies

The Company has consistently applied the accounting policies set out in Note 3 to all periods presented in these consolidated financial statements.

Going concern

The consolidated financial statements have been prepared on a going concern basis.

In assessing the appropriateness of this basis, management has prepared cash flow forecasts covering a period of at least 12 months from the date of approval of these consolidated financial statements. These forecasts incorporate assumptions regarding, among other things, revenue growth, EBITDA generation, working capital development, the timing of capital expenditures, and compliance with financing arrangements, including covenant requirements.

Management has considered reasonably possible changes in key assumptions and has performed scenario and sensitivity analyses to assess the impact on the Company's liquidity position and covenant compliance. These forecasts are inherently subject to uncertainty, particularly with respect to the timing and phasing of revenues, EBITDA generation and related cash flows.

Based on this assessment, management has concluded that the Company is expected to have sufficient liquidity to meet its obligations as they fall due for a period of at least 12 months from the date of approval of these consolidated financial statements and that the use of the going concern basis of accounting is appropriate.

Reference is made to Note 1 for further details regarding the assumptions applied in the going concern assessment.

Consolidated cash flow statement

The Company's consolidated statement of cash flows is presented using the indirect method.

The funds consist of cash and cash equivalents. Cash flows in foreign currencies are translated at an average rate.

Consolidation

Basis of consolidation

Based on IFRS 10, the Company prepares consolidated financial statements where it controls an entity or entities, as defined under Subsidiaries below, and following the principles of control, it will consolidate an entity irrespective of the nature of the entity. If the Company has the power by way of actual or potential voting rights over an entity, then such entity's results will be consolidated. The consolidated financial statements present the results of the Company as if it is a single economic entity. Intercompany transactions and balances between Company subsidiaries are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the acquisition method. In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognized at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

All transactions and balances between Company subsidiaries are eliminated on consolidation, including unrealized gains and losses on transactions between Company subsidiaries. Where unrealized losses on intra-company asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a Company perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Company.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

The Company attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

Subsidiaries

Subsidiaries are all entities (including single economic entities) where the Company has control over an investee, it is classified as a subsidiary. The Company controls an investee, if all three of the following elements are present:

- Power over the investee;
- Exposure to variable returns from the investee; and
- The ability of the investor to use its power to affect those variable returns.

The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date control ceases.

The consolidated statement of financial position is comprised of the financial data of Envipco Holding N.V. and the following subsidiaries:

Subsidiary	Location	% Ownership
Envipco Automaten GmbH,	Westerkappeln, Germany	100%
Environmental Products Corporation	Delaware, US	99.85%
Envipco Pickup & Processing Services Inc.	Delaware, US	99.85%
Environmental Products Recycling Inc.	Delaware, US	99.85%
Envipco N.D. Inc.	Delaware, US	99.85%
Envipco Solutions SRL	Alba Iulia, Romania	100%
Envipco Hellas SA	Athens, Greece	100%
Envipco Europe B.V.	Amersfoort, The Netherlands	100%
Envipco Sweden A.B.	Borlange, Sweden	100%
Envipco (UK) Limited	London, United Kingdom	100%
Envipco Ireland Limited	Dublin, Republic of Ireland	100%
Envipco Portugal Unipessoal LDA	Lisbon, Portugal	100%
Envipco Hungary Kft	Budapest, Hungary	100%
Envipco France SA	Paris, France	100%
Envipco Slovakia sro	Bratislava, Slovakia	100%
Envipco A.S.	Oslo, Norway	100%
Envipco Poland Sp. z o.o.	Warsaw, Poland	100%
Sensibin Limited	Dublin, Ireland	100%
Envipco Principal B.V.	Amersfoort, The Netherlands	100%

Intercompany transactions and balances between Company subsidiaries are eliminated.

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at fair value at the acquisition date and comprises the fair value of assets transferred, equity instruments issued, and liabilities incurred or assumed.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the consideration transferred, amount of any non-controlling interest in the acquired entity, and acquisition date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the income.

Stichting Employees Envipco Holding, initially controlled by Envipco Holding N.V., was dissolved on 7 January 2026. The board of the foundation comprised one former member of the Board of Envipco Holding N.V. The foundation was established to administer an Employee Share Option scheme and did not carry out any activities.

Non-controlling interest

The total comprehensive income of non-wholly owned subsidiaries is attributed to owners of the parent and to the non-controlling interests in proportion to their relative ownership interests.

Segment reporting

The segments are identified based on internal reports about components of the entity that are regularly reviewed by the chief operating decision maker to allocate resources to the segments and to assess its performance. The Company considers geography as its main segment. Geographical segment performance is based on the segment's revenues, net results and EBITDA. Similarly, the respective assets and liabilities are allocated to geographical segments.

In addition, management measures legal entity performance based on revenues and operating results earned by the Company's business units, which includes both external and intercompany transactions. This coincides with the Company's internal organizational and management structure and its internal financial management reporting system.

Foreign currencies

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in Euros, which is the Company's functional and presentation currency. The subsidiaries that are included in the consolidation have the Euro, US Dollars, UK Sterling Pounds, Romanian Leu, Swedish Kronor, Norwegian Kroner and Hungarian Forint as their functional currency.

Transactions and cash flows in foreign currencies are translated into the functional currency at the rate prevailing when the transaction took place. Related exchange rate differences from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are recognized in the income.

Balance sheets of entities that have a functional currency other than the Euro are translated using the closing rates at each reporting date. The income statements of such entities are translated at the average rates during the period. The resulting exchange difference is recognized in the translation reserve. When a foreign entity is sold, such cumulative exchange difference is reclassified in the income as part of the gain or loss on sale. Translation gains and losses on intercompany balances which are in substance a part of the investment in such Company subsidiary are also recognized in other comprehensive income.

Revenue

General

Revenue arises mainly from the offering of pickup and processing, repairs and maintenance, sale of RVMs and leasing of RVMs. To determine whether to recognize revenue, the Company follows the five-step process in accordance with IFRS 15:

1. Identifying the contract with a customer;
2. Identifying the performance obligations;
3. Determining the transaction price;
4. Allocating the transaction price to the performance obligations;
5. Recognizing revenue when/as performance obligation(s) are satisfied.

Revenue is recognized either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers. When the Company acts as a principal revenue is recognized in the gross amount of consideration to which it expects to be entitled in exchange for the specified good or service transferred.

When the Company acts an agent with a performance obligation to arrange for the provision of the specified good or service by another party, then revenue is recognized in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.

In the US, under the Bottle Bill deposit system, one subsidiary's billings includes mandatory deposits on the beverage containers which once collected, are passed through to the operators of redemption sites where Envipco machines are used. These pass-through amounts are included in receivables and payables and are not recognized as revenues.

Payment terms

Payment terms differ both between and within the business streams as well as geographically and include prepayments (typically the payments are due within 30 - 60 days after raising the invoice).

As the Company does not extend credit terms to customers exceeding 12 months, it applies the practical expedient in IFRS 15 regarding significant financing components.

Identification of performance obligations and allocation of transaction price

Products and services may be sold separately or in bundled packages. When the sale of RVMs, installation and services are bundled into one contract, the transaction price is allocated to each distinct good or service representing a separate performance obligation. These typically include the following:

1. Sale of RVMs
2. Installation
3. Services

The transaction price contains fixed components and may contain variable components (for example, in relation to annual price indexation of services). An estimate of variable consideration is included in the transaction price only to the extent that it is highly probable that a significant reversal will not occur when the uncertainty associated with the variable consideration is resolved.

The transaction price is allocated to each performance obligation identified in the contract based on the relative stand-alone selling price of the distinct good or service.

Sale and installation of goods

Revenue from product sales is generally recognized when the product is delivered to the client and when there are no unfulfilled obligations that affect the client's final acceptance of the arrangement. Delivery does not occur until products have been shipped, risk of loss has been transferred to the client and client acceptance has been obtained, client acceptance provisions have lapsed, or the Company has objective evidence that the criteria specified in the client acceptance provisions are either perfunctory or have been satisfied. Revenue relating to product sales is generally recognized at that point in time. Revenue from the installation is recognized when an RVM has been installed, typically shortly after its delivery. Due to the short timing difference between the delivery of goods and the completion of installation services (typically three to five days), the Company does not differentiate between the sale of goods and installation services for revenue recognition purposes.

For certain product sales, the nature of the Company's promise is to enhance assets that remain in control of the customer. As a result, revenue should be recognized over time. However, given the limited timeframe from the start of the assembly to delivery of the completed RVM, on average five to 10 working days, practically these revenues are recognized at a point in time upon delivery.

Leasing revenue

The Company assesses whether contracts with customers contain a lease, in accordance with the accounting policy below. For leased RVMs, the customer has the right to obtain substantially all the economic benefits from use of these RVMs throughout the period of use whereby each machine is considered a separate lease component in the contract. Revenues from RVM leases are recognized over the term of the lease on a straight-line basis, when classified as operational leases.

Lease contracts where substantially all the risks and rewards are transferred are classified as finance leases. Revenue and the accompanying receivable are recognized at a point in time when the customer obtains control over the machine. The cost of the RVM is derecognized from inventory and recognized as cost of sales.

Lease contracts can also include non-lease components such as maintenance and technical support services, in respect of which reference is made to the accounting policy on service revenue.

Service and throughput revenue

The Company's primary service offerings include repairs, maintenance and technical support services, and pickup and processing. These services are provided either on a time and material basis or as a fixed-price contract.

The maintenance and technical support services that are contracted on a fixed-price basis are typically considered as stand-ready obligations and the revenue for such services is recognized over time based on an output measure of time elapsed.

Revenue from time and material contracts is recognized at the contractual rates as labor hours are delivered.

Revenue from fixed-price contracts involving pickup and processing services is generally recognized in the period the services are provided using a straight-line basis over the term of the contract. If circumstances arise that may change the original estimates of revenues, costs, or extent of progress toward completion, then revisions to the estimates are made. These revisions may result in increases or decreases in estimated revenues or costs, and such revisions are reflected in income in the period in which management becomes aware of the circumstances that give rise to the revision.

For throughput contracts, revenue is recognized based on actual throughput fee every month.

Warranties

RVMs are normally sold with a warranty period ranging between 12 to 36 months. These warranties provided to customers are considered as assurance-type warranties as the Company promises to remediate, repair or replace the machines, if necessary, insofar the issue is resulting from manufacturing defects.

A provision for warranties is recognized when the underlying product is sold, based on the historical warranty data and a weighing of possible outcomes against their associated probabilities.

The Company has no other material obligations for returns, refunds or similar.

Contract assets and liabilities

The Company recognizes contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as deferred revenue in other liabilities in the statement of financial position.

Similarly, if the Company satisfies a performance obligation before it receives the consideration, the Company recognizes unbilled revenue in other receivables in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

Cost of sales

Cost of sales includes all direct material and labor costs and those indirect costs related to contract performance, such as indirect labor, supplies, and depreciation costs. The Company performs ongoing profitability analysis of its service contracts to determine whether the latest estimates - revenues, costs and profits - require updating. If, at any time, these estimates indicate that a contract will be unprofitable, the entire estimated loss for the remainder of the contract is recorded immediately and presented as losses on contracts under provisions.

Finance income and finance costs

The Company's finance income and finance costs include:

- Interest income;
- Interest expense;
- Foreign currency gain or loss on financial assets and financial liabilities.

Interest income or expense is recognized using the effective interest method. Dividend income is recognized in profit or loss on the date that the Company's right to receive payment is established.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- Gross carrying amount of the financial asset; or
- Amortized cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability. However, for financial assets that have become credit-impaired after initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property where the amounts are contractually not distinct, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component. For those contracts where distinction is present in the contract, the Company separates the non-lease components.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Extension options

Several lease contracts with respect to buildings contain extension options. On an individual basis the extension options are evaluated by management and where circumstances are such that control over the extension is obtained, or are reasonably certain to be obtained, extension options have been taken into consideration.

As a lessor

At inception or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component based on its relative stand-alone selling price.

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the majority of the asset's economic life.

The Company recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other revenue'.

Deferred and current tax

Deferred income tax is provided in full, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss and does not give rise to equal taxable and deductible temporary differences, it is not accounted for.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available, against which the temporary differences can be utilized.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Income taxes

The Company is subject to income tax in several jurisdictions and significant judgment is required in determining the provision for income taxes. During the ordinary course of business, there are transactions and calculations for which the ultimate tax determination is uncertain. As a result, the Company recognizes tax liabilities based on estimates of whether additional taxes and interest will be due.

These tax liabilities are recognized when, despite the Company's belief that its tax return positions are supportable, the Company believes that certain positions are likely to be challenged and may not be fully sustained upon review by tax authorities. The Company believes that its accruals for tax liabilities are adequate for all open audit years based on its assessment of many factors, including past experiences and interpretations of tax law. This assessment relies on estimates and assumptions and may involve a series of complex judgments about future events. Reference is made to Note R for use of accounting estimates and judgments. To the extent that the final tax outcome of these matters is different than the amounts recorded, such differences will impact income tax expense in the period in which such determination is made.

Deferred tax valuation

The Company recognizes deferred tax assets for loss carry-forwards and deductible temporary differences, estimating the amount of future taxable profit that will be probable, against which the loss carry-forwards and deductible temporary difference can be utilized (see Note 16).

Intangible assets

All intangible assets have finite lives based on their economic use except for Goodwill. The intangible assets with finite lives are amortized using the straight-line method. The useful life is estimated between five and seven years.

General and administrative expenses in the consolidated statement of comprehensive income include the amortization charge for intangible assets.

Research and development

Research and development expenses are included in general and administrative expenses. Research costs are recognized as an expense as incurred.

Development costs that are directly attributable to the design and testing of identifiable and unique products controlled by the Company are recognized as intangible assets when the following criteria are met:

- It is technically feasible to complete the product so that it will be available for use;
- Management intends to complete the product and use or sell it;
- There is an ability to use or sell the product;
- It can be demonstrated how the product will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the product are available; and
- The costs attributable to the product during its development can be reliably measured.

The capitalized development cost is amortized when the asset becomes available for use. Once the asset is completely developed, it is amortized over the estimated useful life, which is seven years.

A legal reserve is made for capitalized development costs.

Acquired Technology

Technology acquired as part of an asset acquisition is recognized as an intangible asset when it is identifiable, the Company controls the asset, and it is probable that future economic benefits attributable to the asset will flow to the Company, with the cost capable of being measured reliably.

The technology acquired in connection with the 2024 Sensibin acquisition (the acquired technology) was recognized as an intangible asset at the acquisition date and initially measured at cost, being the purchase price allocated to the technology, including any directly attributable costs, in accordance with IAS 38 Intangible Assets. As the transaction did not meet the definition of a business combination, IFRS 3 Business Combinations was not applied.

Following initial recognition, the acquired technology is measured at cost, less accumulated amortization and any accumulated impairment losses, consistent with the accounting policy applied to the Company's other development-related intangible assets.

The acquired technology has a finite useful life and is amortized on a straight-line basis over five years, reflecting the pattern in which the expected future economic benefits are consumed. The asset is reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

Software

Operational costs, which encompass expenses related to research, training and other activities explicitly outlined in IAS 38.69, are expensed as incurred. These expenses are recognized in the income statement in the year in which the services are received.

Capital expenditures involve costs associated with customization fees, data conversion, and other software implementation services. The classification of these costs as capital expenditure depends on whether they enhance the functionality of software or an intangible asset that is controlled by the Company or create a separate intangible asset, as outlined in accounting standards.

The capitalized software cost is amortized over the estimated useful life, which is five years.

Intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Intangible assets that have not been put into use yet are tested for impairment at each reporting date irrespective of whether indicators of impairment exist. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's or a cash generating unit's fair value less costs to sell and value in use.

The capitalization and potential impairments of internally generated research and development is amongst others based on estimates of future recovery.

Property, plant and equipment

Property, plant and equipment are valued at historical cost, less accumulated depreciation and impairment losses. Historical cost includes expenditures that are directly attributable to the acquisition of the asset. Subsequent expenditures that extend the asset's useful life are capitalized. Expenditures for repairs and maintenance are expensed when incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values, based on the estimated useful lives of such assets.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value, less costs to sell, and value in use.

Assets under construction will be depreciated once the assets are complete and available for use.

Depreciation is based on the estimated useful lives of assets as follows:

Asset Type	Depreciation Period
Buildings	40 years
Plant & machinery	4-7 years
RVMs	4-7 years
Vehicles & equipment	3-5 years

During 2025, the Company reassessed the estimated useful lives of certain RVMs in the United States. Based on updated technical and operational assessments, the estimated useful life of these assets was extended from five to seven years. The change has been accounted for prospectively and resulted in a reduction of depreciation expense of approximately EUR 916 thousand in 2025. Management considers the impact not to be material to the consolidated statement of profit or loss but has disclosed it to provide transparency regarding the effect of the reassessment on depreciation and comparability.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other highly liquid investments with original maturities of three months or less. The cash and cash equivalents are available on demand.

Trade receivables

Trade receivables are initially recognized at the transaction price and subsequently carried at amortized cost less provision for expected credit losses. Due to the limited number of customers, the Company determines the ECL of trade receivables on an individual basis as per balance sheet date. Please refer to paragraph titled Financial instruments initial recognition and subsequent measurement for further accounting policy elaboration in respect of the financial instruments.

Inventory

Envipco uses a weighted average actual cost method (WAAC) for valuation of inventory. Product inventory is valued at the lower of cost or net realizable value based on a weighted average actual cost method. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Spare parts inventory for service activities is valued at the lower of historical cost or net realizable value. Appropriate consideration is given to excessive inventory levels, product deterioration and other factors when establishing the net realizable value.

During 2025, the Company implemented a formalized inventory obsolescence assessment methodology across all operating entities. The methodology introduced standardized evaluation criteria, including inventory aging, forecasted consumption, excess inventory levels and product lifecycle considerations, to improve consistency in determining the required provision. The underlying accounting policy for inventory valuation remained unchanged.

Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Amounts contributed by the shareholder(s) of the Company in excess of the nominal share capital, are accounted for as share premium. This also includes additional capital contributions by existing shareholders without the issue of shares or issue of rights to acquire shares of the Company.

Minority interests are valued at the proportionate share of third parties in the net value of the assets and liabilities of a consolidated entity, determined in accordance with the Company's measurement principles.

The Company records purchases of its own ordinary shares (treasury shares) under the cost method whereby the entire cost of the acquired shares is deducted from equity until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity.

No treasury shares are held at 31 December 2025.

Reference is made to Note 20 for further information on the numbers of shares authorized and issued, par value per share and reconciliation of number of shares outstanding.

Provisions

The Company recognizes provisions for liabilities of uncertain timing or amount including those for warranty claims, leasehold dilapidations and legal disputes. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date, discounted at a pre-tax rate reflecting current market assessments of the time value of money and risks specific to the liability.

In the case of leasehold dilapidations, the provision considers the potential that the properties in question may be sublet for some or all the remaining lease term.

Trade creditors and other current liabilities

Trade payables and other short-term monetary liabilities are initially recognized at fair value and subsequently carried at amortized cost. Please refer to paragraph titled Financial instruments initial recognition and subsequent measurement for further accounting policy elaboration in respect of the financial instruments.

Employee benefits

Employee benefits are charged to the profit and loss account in the period in which the employee services are rendered and, to the extent not already paid, as a liability on the balance sheet. If the amount already paid exceeds the benefits owed, the excess is recognized as a current asset to the extent that there will be a reimbursement by the employees or a reduction in future payments by the Company.

The Company subsidiaries sponsor defined contribution plans which cover substantially all their employees. A defined contribution plan is a plan under which the subsidiaries pay fixed contributions into a separate entity. Under defined contribution plans, the Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

For defined contribution plans, Envipco pays contributions to publicly or privately administered funds or insurance companies. Contributions are generally based on fixed amounts of eligible compensation and the cost for such plans is recognized based on employee service.

Share-based payments

The Company operates a share-based payment plan for certain employees, which has been classified as a cash-settled plan. Reference is made to Note 9 for further details about the plan. The Company measures the services received from employees and the liability incurred at the fair value of the liability.

The liability is measured, at the end of each reporting period until settled, by reference to the fair value of each grant under the plan, multiplied by the number of shadow shares, whereby recognition of the liability takes place over the period in which the service is fulfilled (the vesting period). The amount recognized is adjusted to reflect the actual number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized as expense is based on the actual number of awards meeting these vesting conditions.

Until the liability is settled, its fair value is remeasured at the end of each reporting period, with any changes in the fair value recognized in profit or loss. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognized as of the beginning and end of that period.

Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets, except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- Amortized cost;
- Fair value through profit or loss (FVTPL);
- Fair value through other comprehensive income (FVOCI).

In the periods presented the corporation does not have any financial assets categorized as FVOCI.

The classification is determined by both:

- The entity's business model for managing the financial asset;
- The contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognized in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within administrative expenses.

A financial asset and a financial liability are offset when the entity has a legally enforceable right to set off the financial asset and financial liability and the Company has the firm intention to settle the balance on a net basis, or to settle the asset and the liability simultaneously. If there is a transfer of a financial asset that does not qualify for derecognition in the balance sheet, the transferred asset and the associated liability are not offset.

Subsequent measurement - financial assets at amortized cost

Financial assets are measured at amortized cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows.
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortized cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and other receivables fall into this category of financial instruments as well as loan receivables.

Envipco does not hold any material financial assets that are classified as FVTPL or FVOCI.

Impairment of financial assets

IFRS 9's impairment requirements use forward-looking information to recognize expected credit losses – the expected credit loss (ECL) model. Instruments within the scope of the requirements included loans and other debt-type financial assets measured at amortized cost, trade receivables and other receivables recognized and measured under IFRS 15.

The Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- Financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk (Stage 1) and;
- Financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low (Stage 2);
- 'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date;
- '12-month expected credit losses' are recognized for the first category while 'lifetime expected credit losses' are recognized for the second category. Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade and other receivables

The Company makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. The Company assesses impairment of trade receivables on an individual basis, using historical experience, external indicators and forward-looking information to calculate the expected credit losses.

Classification and measurement of financial liabilities

The Company's financial liabilities include borrowings, trade and other payables and financial liabilities designated at FVTPL. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at FVTPL.

Subsequently, financial liabilities are measured at amortized cost using the effective interest method, except for financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognized in profit or loss.

As the 2024 acquisition of Sensibin was accounted for as an asset acquisition, IFRS does not explicitly prescribe the accounting treatment for contingent consideration arising from such transactions. Accordingly, management applied judgment in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. The Company has elected to account for the contingent consideration as a financial liability measured at FVTPL, applying by analogy the principles of IFRS 3 Business Combinations and IFRS 9 Financial Instruments.

The contingent consideration related to the 2024 Sensibin acquisition was initially recognized at fair value and subsequently remeasured at fair value at each reporting date, with changes recognized in profit or loss. Financial liabilities designated as FVTPL fully relate to the contingent consideration arising from the Sensibin acquisition, as further disclosed in Note 24. As settlement of this contingent consideration is expected within 12 months after the reporting date, it is classified as a current liability.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Fair values

Management assessed that the fair value of cash and cash equivalents, trade and other receivables, trade and other payables and other current liabilities approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the interest-bearing loans and borrowings is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company applies the fair value hierarchy to the measurement of contingent consideration arising from the 2024 Sensibin acquisition. The contingent consideration is measured at fair value at each reporting date pursuant to IFRS. See Note 24 for further details.

Critical accounting estimates and judgments

In preparing these consolidated financial statements, management has made judgments and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively. Key judgments and accounting estimates relate to the following:

- Note 1 – management applied significant assumptions and estimates in the forecast period supporting the going concern assessment, including the timing and phasing of revenues, EBITDA generation, related cash flows and covenant calculations.
- Note 3 - estimating the fair value of the contingent consideration liability;

- Note 6 – In the absence of a standard pricing list per country (or region), management estimates the stand-alone selling prices of goods and services using the expected cost-plus margin approach. This estimated stand-alone selling price per country (or region) is then used to allocate the contract price to individual performance obligations. The Company employs estimation methods to assess the stand-alone selling prices of products and services to allocate the discount to the performance obligations on a relative stand-alone selling price basis;
- Note 6 – judgment if performance obligations refer to sale and delivery of goods or manufacturing services;
- Note 6 – judgment if service and maintenance during the warranty period qualifies as a distinct performance obligation;
- Note 6 – judgment whether contractually extended billing period qualifies as customer financing;
- Note 9 – measurement of realizing targets in the long-term compensation plan;
- Note 11 and 16 – recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 13 and 14 – useful life of intangible and tangible fixed assets, including impairment testing if applicable;
- Note 14 – length of leases and treatment of lease extension options;
- Note 17 – measurement of provision for obsolescence;
- Notes 22 - estimates related to provision for future warranty claims;
- Note 25 – recognition and measurement of contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

Note 4 - Capital management

The Company's capital consists of its net equity and external borrowings. Management monitors and assesses the Company's capital requirements on an ongoing basis and ensures that sufficient funding is available to meet the working capital requirements and support future business development. In managing its capital structure, the Company considers a combination of equity funding, term loans and committed credit facilities.

There were no changes in the Company's objectives, policies or processes for managing capital during the year compared to the prior period. Changes in equity during the year, including the issuance of new shares and movements in retained earnings, are reflected in the consolidated statement of changes in equity and in Note 20.

During 2025, the Company strengthened its capital position through an equity private placement and new external borrowing, as further described in the relevant notes to the consolidated financial statements.

The Company and one of the Company's subsidiaries must comply with certain financial covenants under their loan agreements, details of which are given in Note 21. At 31 December 2025, the Company's funding requirements were met through equity, external borrowings, operating cash flows and committed credit facilities.

Note 5 - Financial risk management

The Company has exposure to credit, liquidity and market risks on the financial instruments used by it. The Board of Directors (the Board) has the overall responsibility to monitor and manage these risks.

Credit risk

Credit risk arises from the possibility of asset impairment occurring because counterparties cannot meet their obligations in transactions mainly involving cash and cash equivalents and trade receivables. To minimize the credit risk related to cash and cash equivalents, all of them are held with reputable banks that have demonstrated financial stability, hold appropriate licenses, and are under the supervision of regulatory authorities. All cash and cash equivalents are held at banks with a minimum credit rating of Aa3.

The main portion of receivables are related to RVM sales and services, which are managed closely for collections. See table below for the top three customers and their respective receivable position, including the customers' geographical location. As part of its normal business operations, the Company extends credit to clients, conducts credit evaluations of these clients, and maintains an impairment provision for expected credit losses.

	2025		2024	
	Location	Trade receivable	Location	Trade receivable
Customer 1	Romania	20%	Romania	17%
Customer 2	Hungary	8%	Hungary	7%
Customer 3	Greece	8%	Greece	7%
Others	-	64%	-	69%
Total		**100%**		**100%**

US operations manage its gross receivables using a deposit accounting system. Under this system, Envipco acts as a clearing house for services provided rather than for RVM sales. Payable funds to customers are disbursed only after receivables have been collected.

The carrying amount of financial assets represents the maximum credit exposure. This maximum exposure to credit risk for trade receivables and non-current trade receivables reported as part of financial assets at the reporting date by geographic region was:

in € thousands	Current	Non-current	>30 Days	>60 Days	>90 Days	Total
2025						
Europe	12,090	2,453	199	476	3,010	**18,228**
United States	6,073	-	1,879	694	83	**8,729**
Total	**18,163**	**2,453**	**2,078**	**1,170**	**3,093**	**26,957**
2024						
Europe	13,203	-	4,076	1,136	8,995	**27,410**
United States	6,749	-	1,473	446	296	**8,964**
Total	**19,952**	**-**	**5,549**	**1,582**	**9,291**	**36,374**

The decrease in Trade and other receivables is primarily driven by lower activity levels in Europe.

Management manages credit risk by reviewing the creditworthiness of counterparties on a regular basis and will set credit limits. No credit insurance is taken out. Under the simplified approach of IFRS 9, the

Company measures lifetime expected credit losses for trade receivables based on an individual assessment, reflecting the specific credit risk profile of each customer.

Liquidity risk

Liquidity risk arises from the possibility that the Company may be unable to meet its obligations as they fall due or draw on refinanced credit facilities.

The Company's policy is to ensure, as far as possible, that it will have sufficient liquidity to meet its obligations in a timely manner. The executive director follows liquidity risk management focused on maintaining sufficient cash, enforcing strict credit policy and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, the Company aims to maintain flexibility in funding by keeping committed credit lines available.

The following are the Company's contractual maturities of financial liabilities based on contractual undiscounted payments including short-term leases:

in € thousands	In 1 Year	1-2 Years	2-5 Years	> 5 Years	Total
2025					
Borrowings	17,103	618	1,082	-	**18,803**
Lease liabilities	2,378	1,697	2,057	1,526	**7,658**
Trade creditors	15,110	-	-	-	**15,110**
Accrued expenses	3,385	-	-	-	**3,385**
Other liabilities	3,226	530	-	-	**3,757**
Total	**41,202**	**2,845**	**3,140**	**1,527**	**48,713**
2024					
Borrowings	20,270	3,202	5,968	-	**29,440**
Lease liabilities	2,137	1,787	2,463	2,423	**8,810**
Trade creditors	16,506	11	-	-	**16,517**
Accrued expenses	6,779	-	-	-	**6,779**
Other liabilities	2,834	4,203	320	-	**7,357**
Total	**48,526**	**9,203**	**8,751**	**2,423**	**68,903**

Market risk

Market risk arises from the fact that the value of financial instruments may be positively or negatively affected by fluctuating prices on the financial markets. Market risk includes currency risk, fair value interest rate risk, and price risk.

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to exchange rate fluctuations. Exposure to currency risks arises primarily when receivables and payables (including intercompany loans) are denominated in a currency other than the operating company's local currency. The Company is exposed to such risks as it operates internationally, primarily with respect to the US dollar. The Company manages its currency risk by closely monitoring the currency fluctuations and does not hedge its currency risk.

A 5% strengthening of US Dollar against the euro would have decreased net profit by €0.6 million due to the transactional impact. A 5% decline in US Dollar against the euro would have had an approximately equal but opposite effect on the basis that all other variables remain constant.

Interest rate risk

The Company's interest rate risk arises from selected long-term borrowings. Such borrowings issued at variable rates expose the Company to cash flow interest rate risk. The Company tries to minimize its interest rate by negotiating both fixed and variable interest rates for the borrowings. The Company evaluated its exposure to interest rate risk based on its long-term debt (see Note 21) and concluded that. the interest rate risks on its borrowings do not need to be hedged.

In case the Company's interest rate increases by 1%, the impact on profit before tax is €193 thousand before tax.

Financial instruments – fair values and risk management

The Company does not hold any financial assets measured at fair value. The only item measured at fair value is the contingent consideration liability relating to the 2024 Sensibin acquisition, which is classified as a financial liability at fair value through profit or loss.

On 31 December 2025 and 31 December 2024, the carrying amounts of cash and cash equivalents, trade and other receivables and trade and other payables approximated their fair values due to the short-term maturities of these assets and liabilities.

The fair values of the long-term debt as explained in Note 21 are not materially different from the carrying amounts as the interest rate risk is a floating rate plus spread where the spread equals the current market spread.

The Company does not make use of derivative instruments.

Note 6 - Segment information

Envipco considers geography as its main segment. Management measures geographical segment performance based on the segment's profit, the respective assets and liabilities allocated to these segments. Segment information of the reportable segments is detailed below:

	2025				2024			
in € thousands	Europe	North America	Corporate	Total	Europe	North America	Corporate	Total
Revenues								
Sale & installation of goods[1]	48,949	5,013	-	**53,962**	74,119	3,400	-	**77,519**
Pick-up & processing services[2]	-	9,058	-	**9,058**	-	9,421	-	**9,421**
Service revenue[2]	6,667	16,582	-	**23,249**	5,449	17,797	-	**23,246**
Leasing revenue[2]	432	3,647	-	**4,079**	135	3,693	-	**3,828**
Total	**56,048**	**34,300**	**-**	**90,348**	**79,703**	**34,311**	**-**	**114,014**
Net Results	(3,740)	(183)	(6,804)	**(10,727)**	9,363	(6,379)	(5,960)	**(2,976)**
EBITDA[3]	3,396	3,009	(5,269)	**1,136**	16,452	(695)	(3,860)	**11,897**
Depreciation & Amortization	4,439	2,413	1,895	**8,746**	2,758	3,454	1,983	**8,195**
Total assets	73,923	28,804	57,233	**159,960**	82,317	33,408	20,173	**135,898**
Total liabilities	22,948	11,397	22,155	**56,500**	30,399	22,308	17,966	**70,673**

1) As disclosed in the accounting policies, revenue from sales and installation of goods is recognized at a point in time.
2) As disclosed in the accounting policies, revenue from services and leasing are recognized over time.
3) EBITDA, not being a defined performance measure in IFRS, is defined in the Other Information section of this report.

The above revenue figures exclude intercompany transactions between the Company's operating segments. In 2025, North America segment sold €3,103 thousand (2024: €8,722 thousand) worth of intercompany machines and parts to the European segment. The sharp decrease is because of increased localized European production of machines. European intercompany sales to North America were €1,227 thousand (2024: €2,534 thousand).

An amount of €1,821 thousand (2024: €15,761 thousand) is included in sales of goods which relates to manufacturing services in which the Company enhances an asset already controlled by the customer. As disclosed in Note 3 - Revenue, in practice, the corresponding revenues are recorded at a point in time and therefore presented under the sales of goods category.

Legal entity performance

In addition to geographic segments, management measures legal entity performance based on revenues and operating results earned by the Company's business units, which includes both external and intercompany transactions. The Corporate segment is comprised of Envipco Holding N.V.

The segments are identified based on internal reports about components of the entity that are regularly reviewed by the chief operating decision maker to allocate resources to the segments and to assess their performance.

in € thousands	RVM revenue	Program Services revenue	Total revenue	Operating results
	2025			
Envipco Solutions SRL	39,672	3,686	**43,358**	6,142
Environmental Products Corp.	8,115	29,287	**37,402**	596
Envipco Europe B.V. [1]	11,801	347	**12,148**	3,134
Envipco Hellas SA	2,953	-	**2,953**	(1,457)
Envipco Automaten GmbH	12,258	239	**12,497**	(1,886)
Other	8,803	3,102	**11,905**	(13,668)
Intercompany elimination	(29,640)	(275)	**(29,915)**	(471)
Total	**53,962**	**36,386**	**90,348**	**(7,610)**

1) Envipco Europe B.V. consists of Dutch and Hungarian activities.

in € thousands	RVM revenue	Program Services revenue	Total revenue	Operating results
	2024			
Envipco Solutions SRL	46,749	3,036	**49,785**	9,695
Environmental Products Corp.	12,122	30,912	**43,034**	(4,082)
Envipco Europe B.V. [1]	28,017	63	**28,080**	3,879
Envipco Hellas SA	19,139	-	**19,139**	2,993
Envipco Automaten GmbH	18,591	181	**18,772**	(765)
Other	11,792	2,633	**14,425**	(9,535)
Intercompany elimination	(58,891)	(330)	**(59,221)**	1,517
Total	**77,519**	**36,495**	**114,014**	**3,702**

1) Envipco Europe B.V. primarily consists of Hungarian activities.

In accordance with IFRS 8.34, the Company discloses that revenue of €19,740 thousand was derived from a single external customer, representing more than 10% of total revenue. This revenue is included within the Europe segment.

The non-current assets, being intangible fixed assets and property, plant and equipment, of the Company's country of domicile, The Netherlands, were €8,135 thousand (2024: €9,065 thousand). Other major countries Romania and the US had non-current assets of €7,502 thousand (2024: €5,478 thousand) and €9,199 thousand (2024: €9,717 thousand), respectively.

See table above for revenue details where contract (lease) revenues and performance obligations for RVM sales have been disclosed as part of the Company's revenue recognition policies. The 2025 program services revenue contains €2,022 thousand (2024: €1,445 thousand) of variable throughput income.

Note 7 - Audit fees

The fee paid to the Company's auditors for the following services can be specified as follows:

	2025			2024		
in € thousands	BDO Audit & Assurance B.V.	Other Network	Total	BDO Audit & Assurance B.V.	Other Network	Total
Audit fee of financial statements	932	387	**1,319**	576	433	**1,009**
Other assurance services[1]	1	-	**1**	37	-	**37**
Total	**933**	**387**	**1,320**	**613**	**433**	**1,046**

1) Relates to CSRD readiness procedures for future years.

BDO Audit & Assurance B.V. is the auditor in 2025 to the Company and its subsidiaries, as it was for 2024. The fees mentioned in the table for the audit of the financial statements relate to the total fees for the audit of the financial statements, irrespective of whether the activities have been performed during the financial year.

Note 8 - Operating expenses, Other income and expenses

Operating expenses

in € thousands		2025	2024
Employee benefit expenses	Note 9	21,099	19,931
Professional and legal expenses		5,862	6,745
Office, IT and Insurance expenses		4,286	2,874
Amortization expenses	Note 13	3,053	2,424
Marketing and travel expenses		2,021	1,850
Depreciation expenses	Note 14	2,225	1,751
Other personnel related expenses		983	851
Research and Development expenses (excl. personnel)		467	643
Other operating expenses		1,827	1,606
Total		**41,823**	**38,675**

Professional and legal expenses decreased from €6,745 thousand in 2024 to €5,862 thousand in 2025. This decrease is primarily due to higher one-off professional and advisory costs incurred in the prior year that did not recur in the current period.

Other income and expense

in € thousands	2025	2024
Fee for cancellation and resale of UK inventory	-	246
Sensibin contingent consideration – fair value gain/(loss)	4,000	(258)
Other	44	50
Total	**4,044**	**38**

In August 2024, Envipco acquired Sensibin for a combination of cash and contingent consideration. The contingent consideration liability is measured at fair value through profit or loss. During 2025, the Company recognized a fair value gain of €4,000 thousand (2024: a loss of €258 thousand), primarily reflecting failure to meet 2025 performance targets, revised projections for 2026, and the extension of the period during which performance conditions must be met.

See Notes 13 and 24 for further details on the measurement of the contingent consideration liability.

Note 9 - Employee benefit expense

in € thousands	2025	2024
Salaries and wages	26,957	26,198
Social Security	3,132	2,218
Pension expenses	1,128	1,002
Long-term compensation plan	131	917
Total	31,348	30,335
Average number of employees		
North America		
Production/Supply chain	15	31
Research and Development	26	22
Sales and Service	83	73
General Administration	33	24
Management	1	6
Europe		
Production/Supply chain	155	130
Research & Development	20	14
Sales & Service	144	89
General Administration	46	53
Management	8	7
Total	531	449

During 2025, the average number of employees employed by the Company's Dutch entities amounted to 25 (2024: 17 persons).

The employment benefit expense is included in the following line items in the financial statements:

in € thousands	2025	2024
Cost of sales	10,249	10,404
Total cost of sales	**10,249**	**10,404**
General and administrative expenses	12,492	15,284
Selling and distribution expenses	3,402	1,864
Research and development expenses	5,205	2,783
Total operating expenses	**21,099**	**19,931**
Total employee benefit expense	**31,348**	**30,335**

Remuneration of the Board of Directors

The remuneration of the Board charged to the result in 2025 was €1,044 thousand (2024: €1,625 thousand), which can be specified as follows:

in € thousands	Fixed Salary-Fee	Short-Term Incentive Plan	Fringe Benefits	Pension Cost	Long-Term Incentive Plan	Total	Proportion Fixed and Variable
2025							
2025							
S. Bolton[1]	442	162	147	75	-	826	80/20
G. Garvey	58	-	-	-	-	58	100/0
A.J. Aas	39	-	-	-	-	39	100/0
M. Bouri[2]	17	-	-	-	-	17	100/0
A. Cormack	34	-	-	-	-	34	100/0
C. Gylche[3]	34	-	-	-	-	34	100/0
E. Thorsen[4]	35	-	-	-	-	35	100/0
Total	**659**	**162**	**147**	**75**	**-**	**1,043**	
2024							
S. Bolton[1]	433	120	123	-	554	1,230	40/60
G. Garvey	50	-	-	-	-	50	100/0
A.J. Aas	30	-	-	-	-	30	100/0
M. Bouri[2]	200	25	-	-	-	225	89/11
A. Cormack	30	-	-	-	-	30	100/0
C. Crepet	15	-	-	-	-	15	100/0
C. Gylche[3]	15	-	-	-	-	15	100/0
E. Thorsen[4]	30	-	-	-	-	30	100/0

1) Mr. Bolton was an executive director from 1 July 2020 until his departure from Envipco on 30 April 2026. Mr. Bouri was executive director until 5 August 2025, after which date he became a non-executive Board member. Other members of the Board are non-executive directors.

2) Mr. Thorsen has been a non-executive director since 15 August 2023.

Non-executive directors receive fixed compensation based on time spent and amounts charged. Also see Note 26 for related party transactions.

Long-term incentive compensation plan for management

The Envipco Holding N.V. Employee Shadow Share Plan (the long-term incentive plan, or LTIP) was approved by the Board in 2022 and published in 2023. Under the LTIP, certain Company employees may receive remuneration in the form of shadow shares, which are a form of share appreciation rights that entitle the holder to a cash bonus based on the Company's performance.

The LTIP is classified as a cash-settled share-based payment arrangement, as participants do not acquire any equity instruments. Shadow shares vest only if specified service and non-market performance conditions are met, requiring continuous employment over the vesting period and achievement of the applicable performance targets.

Performance targets are set annually at 80% of the forecasted revenue and EBITDA approved by the Board and the Remuneration Committee. Underperformance in a given year may be compensated by overperformance in a subsequent year, allowing for retroactive vesting of previously unvested shadow shares. Such retroactive vesting occurs only if the overperformance is at least equal to the prior underperformance and any shortfall is fully compensated. Shortfall is defined as the variance between actual performance and 100% of the forecasted revenue and EBITDA in the year of underperformance.

During 2025, additional shadow share plans were granted at a strike price of €5.65. The performance target for 2022 was met; however, the targets for 2023, 2024 and 2025 were not achieved. As performance in 2024 and 2025 did not compensate for the underperformance in 2023 and 2024, the shadow shares granted for 2023 and 2024 were forfeited.

The shadow shares for 2025 have not yet been forfeited. Vesting remains possible if both revenue and EBITDA for 2026 exceed 100% of the forecasted revenue and EBITDA, thereby fully compensating for the 2025 underperformance.

At 31 December 2025, management assessed the likelihood of achieving the required overperformance in 2026 and concluded that such overperformance is not expected. This assessment will be revisited at each subsequent reporting date, and expected vesting will be adjusted accordingly.

For periods subsequent to 2025, management has assumed at the balance sheet date that realistic performance targets will be set on a realistic basis and, on that basis, has assessed that vesting of the remaining awards is expected.

Plan modification

During 2025, the Board approved a one-year extension of the vesting period for the 4-Year Grant 2022 and 4-Year Grant 2023 shadow share plans. As a result, the vesting date of the 4-Year Grant 2022 was extended to 31 December 2026, and the vesting date of the 4-Year Grant 2023 was extended to 31 December 2027. Accordingly, these plans are now referred to as the 5-Year Grant 2022 and the 5-Year Grant 2023.

The extension applies solely to any final tranche that remains unvested or would otherwise have been forfeited at the original plan termination date. The modification does not affect the total number of shadow shares granted, the vesting of prior tranches, the strike price, or any other terms and conditions of the LTIP. The original strike price remains unchanged. During the extension period, participants are not required to achieve overperformance; performance in line with plan is sufficient for full vesting of the final tranche.

As the LTIP is cash-settled, the extension of the vesting period is reflected through remeasurement of the liability at fair value based on the modified terms and updated vesting expectations, with the resulting impact recognized in profit or loss.

The following table details the grants awarded under the plan:

Shadow shares awarded	Shares granted	Strike price	Grant date	Vesting date	Performance conditions
3-Year Grant 2022	600,000	€1.60	14 July 2023	31 December 2024	2022-2024
5-Year Grant 2022	150,000	€1.80	14 July 2023	31 December 2026	2022-2025
5-Year Grant 2023	500,000	€3.20	14 July 2023	31 December 2027	2023-2026
3-Year Grant 2025	450,000	€5.65	3 July 2025	31 December 2027	2025-2027
4-Year Grant 2025	225,000	€5.65	3 July 2025	31 December 2028	2025-2028
Total	**1,925,000**				

The total of the outstanding shadow shares as of 31 December 2025 is as follows:

in whole number of shares	3-Year Grant 2022	5-Year Grant 2022	5-Year Grant 2023	3-Year Grant 2025	4-Year Grant 2025	Total
Grant date	14 July 2023	14 July 2023	14 July 2023	3 July 2025	3 July 2025	
Unvested at 1 January 2025	-	75,000	250,000	-	-	**325,000**
Granted	-	-	-	450,000	225,000	**675,000**
Forfeited	-	-	(125,000)	(450,000)	-	**(575,000)**
Reassessed	-	-	-	-	(56,250)	**(56,250)**
Vested	-	-	-	-	-	-
Unvested at 31 December 2025	**-**	**75,000**	**125,000**	**-**	**168,750**	**368,750**

The 3-Year Grant 2022 plan concluded in 2024, resulting in the vesting of 200,000 shadow shares as of 31 December 2024. These vested awards have been partially settled during 2025, and the balance of the liability is presented in the table below.

The original term of the 5-Year Grant 2022 plan ended on 31 December 2025. However, following the plan modification described above, the vesting period for the final performance-based tranche was extended by one year. As a result, the final tranche remains eligible for vesting until 31 December 2026. The liability recognized as at 31 December 2025 and the share-based payment expense recognized for the year in relation to the 5-Year Grant 2022 plan are presented in the table below.

Valuation

The fair value of the liability was determined by reference to the quoted market price of the Company's ordinary shares at 31 December 2025 (€5.40), considering the contractual terms of the awards, the applicable vesting and performance periods, including extensions, and the expected timing of settlement through the application of appropriate discounting. In prior financial years, the effects of discounting for the timing of settlement and the share price volatility were considered not material due to the structure and scale of the plan. In 2025, these factors were incorporated into the fair value measurement by using a Black-Scholes-Merton option pricing model to more appropriately reflect the extended vesting periods and expected settlement profile of the outstanding awards.

The fair value of the liability as of the balance sheet date was determined by reference to the fair value of the underlying shadow shares, taking into account the strike price and the fair value of the Company's ordinary shares. The measurement reflects management's estimate of the number of shadow shares expected to vest, based on the assessed outcome of the applicable service and non-market performance conditions.

The total liability as of year-end, which includes both the current and non-current portion, and the related expense for the year are detailed as follows:

in € thousands	Grant date	Liability at 1 January 2025	Expense recognized in profit or loss	Pay out during 2025	Liability at 31 December 2025
3-Year grant 2022	14 July 2023	770	-	(385)	385
5-Year grant 2022	14 July 2023	163	69	-	232
5-Year grant 2023	14 July 2023	237	(44)	-	193
3-year grant 2025	3 July 2025	-	-	-	-
4-year grant 2025	3 July 2025	-	106	-	106
Total		**1,170**	**131**	**(385)**	**916**

Note 10 - Finance expense and income

The interest expenses relate to interest on borrowings and lease commitments. Interest income relates to interest received on bank balances.

in € thousands	2025	2024
Interest expenses	(2,790)	(1,883)
Interest income	226	75
Exchange (losses)/gains	201	(1,179)
Net finance cost	**(2,363)**	**(2,987)**

The increase in net interest expense in 2025 was mainly driven by one-off penalty interest triggered by the settlement of previously outstanding loan arrangements, together with interest accretion on lease liabilities and the unwinding of the discount (time value) of contingent consideration related to the 2024 Sensibin acquisition. Offsetting this, the Company benefited from more favorable FX dynamics in 2025, as reduced currency fluctuation lowered the impact of foreign exchange movements versus the prior year.

A portion of the interest expense recognized in 2025 is non-cash in nature. Interest recognized by the Company includes an accounting adjustment arising from the adverse valuation of a subsidiary, which does not result in a cash outflow. In addition, interest related to lease commitments reflects the unwinding of lease liabilities in accordance with IFRS 16. These amounts do not result in separate cash payments during the year and are therefore treated as non-cash items within the reconciliation of operating result to cash flows from operating activities.

Note 11 - Income taxes

Effective tax rate

Envipco operates in several jurisdictions with varied local statutory income tax rates. This causes a difference between the average statutory income tax rate and The Netherlands tax rate of 25.8%.

The following table reconciles income taxes based on the Company's weighted average statutory income tax rate and the Company's income tax benefit from continuing operations:

in € thousands		2025		2024
Profit/(loss) before tax		(9,974)		715
Taxation (charge)/credit – statutory rate	25.8%	2,573	25.8%	(184)
Tax (charge) credit for different statutory tax rates on foreign subsidiaries		(277)		113
Non-deductible expenses/other		8		513
Recognition of previously unrecognized tax losses and deductible temporary difference		92		998
Effect of current year losses for which no deferred tax asset has been recognized or cannot be realized anymore		(3,082)		(3,062)
Release of previously recognized deferred taxes on loss carry forwards		-		(1,579)
Realization of carry forward losses		98		(267)
Prior year adjustment		(75)		(11)
State tax		(88)		(212)
Effective income tax	**-7,5%**	**(753)**	**516.4%**	**(3,691)**

Current and deferred tax income / (expense)

in € thousands	2025	2024
Current	(851)	(1,781)
Deferred	98	(1,910)

None of the items of other comprehensive income are included in income taxes. See Note 16.

Note 12 - Earnings per share

The numerator for both basic and fully diluted net result per ordinary share (earnings per share or EPS) is net result attributable to holders of ordinary shares. The denominator for basic EPS is the number of ordinary shares outstanding during the year. The fully diluted EPS is same as the basic EPS, as the Company does not have any potentially dilutive instruments outstanding.

The net result per ordinary share has been calculated according to the following schedule:

in € thousands	2025	2024
Numerator		
(Loss)/earnings used in basic and diluted EPS	(10,727)	(2,976)
Denominator		
Weighted average number of shares used in basic and diluted EPS (x1000)	59,923	56,507

Basic and diluted earnings per share for 2025 and 2024 have been calculated using the weighted-average number of current ordinary shares of 59,922,706 and 56,506,815 respectively. Earnings/(loss) per share in € (0.18).

Note 13 - Intangible Assets

in € thousands	Goodwill	Patents, Licenses & Concessions	Software	Development Costs	Acquired Technology	Total
At 1 January 2024						
Cost	161	1,400	1,189	16,552	-	**19,302**
Acc. amortization and impairment	-	(1,232)	(72)	(8,828)	-	**(10,132)**
Net carrying amount	**161**	**168**	**1,117**	**7,724**	**-**	9,170
Changes to net carrying amount in 2024						
Additions	-	36	562	949	6,643	**8,190**
Disposals - cost	-	-	-	(2,146)	-	**(2,146)**
Disposals - amortization	-	-	-	2,146	-	**2,146**
Impairment	-	(28)	-	-	-	**(28)**
Amortization	-	(70)	(242)	(1,601)	(511)	**(2,424)**
Currency translation	10	7	-	-	-	17
Total changes in 2024	**10**	**(55)**	**320**	**(652)**	**6,132**	**5,755**
At 31 December 2024						
Cost	171	1,443	1,751	15,355	6,643	**25,363**
Acc. amortization and impairment	-	(1,330)	(314)	(8,283)	(511)	**(10,438)**
Net carrying amount	**171**	**113**	**1,437**	**7,072**	**6,132**	**14,925**
Changes to net carrying amount in 2025						
Additions	-	39	755	1,471	-	**2,266**
Disposals – cost	-	(28)	(2)	-	-	**(30)**
Disposals – amortization	-	-	-	-	-	**-**
Impairment	-	-	-	-	-	**-**
Amortization	-	(85)	(336)	(1,303)	(1,329)	**(3,053)**
Currency translation	(20)	(5)	-	-	-	**(25)**
Total changes in 2025	**(20)**	**(80)**	**417**	**168**	**(1,329)**	**(842)**
At 31 December 2025						
Cost	151	1,450	2,503	16,826	6,643	**27,573**
Acc. amortization and impairment	-	(1,416)	(649)	(9,586)	(1,839)	**(13,490)**
Net carrying amount	**151**	**34**	**1,854**	**7,239**	**4,804**	**14,082**

The development costs reported are internally generated in respect of new product development. The disposals include internally developed intangible assets that were fully amortized and assessed as having no remaining future economic benefits and were derecognized.

The acquired technology of €6,643 thousand in 2024 relates to the 2024 acquisition of Sensibin, an innovative Irish-based supplier of the Compact RVMs as further detailed below.

In 2024, €28 thousand has been impaired as part of the Patents, Licenses and Concessions. For 2025, no triggers for impairment have been identified.

The amortization expenses are included in the following line items in the financial statements:

in € thousands	2025	2024
General and administrative expenses	3,053	2,424
Total amortization expenses	**3,053**	**2,424**

Goodwill

Goodwill as per 31 December 2025 and 2024 relates to goodwill of one Cash Generating Unit in the RVM segment in the US, which was tested for any impairment, based on its value in use, by using present value of discrete cash flows for next three years and the present value of the terminal cash flow with the following assumptions: pre-tax WACC discount rate of 7.40% (2024: 7.40%) working capital requirement at 3% of revenue and terminal cash flow growth rate of 2.5% both in 2025 and 2024. Sensitivities related to the value in use calculation would imply that a 1% increase in the discount rate or using a 0% growth rate would not have resulted in an impairment.

Patents, licenses & concessions

All concessions are being amortized with a useful life of seven years.

Software

Software pertains to the implementation of phase two of the Company's Enterprise Resource Planning (ERP) system, which is being amortized over its useful life of five years.

Development costs

The capitalized development costs relate to internally developed assets in respect of new product development, namely optical recognition, sensor accuracy, and modular platform architecture for the existing and new markets. All materials, labor and overhead costs directly attributable to these projects have been capitalized amounting to €1,471 thousand for 2025 (2024: €949 thousand).

Fully developed assets are amortized over their expected useful lives, which is seven years, evaluated on a periodic basis. The largest individual asset included in the development cost has a book value of €1,554 thousand (2024: €1,918 thousand) related to New Recognition System, which has a remaining amortization period of 4 years and 9 months.

Acquired technology

On 14 August 2024, Envipco acquired 100% of Sensibin, an innovative Irish-based supplier of RVMs. The acquisition value of the acquired technology amounted to €6,643 thousand. During 2025, amortization expense of €1,329 thousand (2024: €511 thousand) was recognized, resulting in a carrying amount of €4,804 thousand at 31 December 2025 (2024: €6,132 thousand). The useful life of the acquired technology is five years, so amortization will continue through 2029.

Impairment assessment

In accordance with IAS 36 *Impairment of Assets*, management assessed at 31 December 2025 whether indicators of impairment existed for the acquired Sensibin technology. The remeasurement of the related contingent consideration during the year was identified as an impairment indicator and, accordingly, management performed a detailed impairment test of the acquired technology.

The impairment test considered, among other factors, post-acquisition integration progress, the revised commercialization timeline related to DRS implementation delays, forecast future cash flows and expected long-term market demand for the acquired technology. The impairment analysis demonstrated significant headroom compared to the carrying amount of the asset.

Based on this impairment test, management concluded that the remeasurement of the contingent consideration reflected timing-related commercial and operational factors rather than a deterioration in the underlying technology or its long-term economic potential. Accordingly, no impairment charge was recognized in 2025.

The impairment assessment involves the use of significant estimates and judgments, particularly with respect to the timing of commercialization, expected order volumes, margins and the pace of DRS implementation in relevant markets. While management believes the assumptions applied reflect its best estimate based on currently available information, actual outcomes may differ from these assumptions. Changes in the timing or scale of market adoption, or in forecast cash flows, could result in a different impairment outcome in future periods.

Accounting at time of acquisition

Envipco acquired Sensibin in 2024. At the time, the Company applied the concentration test to determine that it did not acquire a business. Therefore, the transaction is accounted for as an acquisition of a group of assets and liabilities, with the acquisition cost allocated to the acquired assets and liabilities.

The transaction included a put and call option arrangement with the sellers. Envipco has determined that this is effectively a contingent consideration mechanism and, as such, does not constitute a non-controlling interest of the sellers. The cost of the acquisition therefore consists of both a fixed consideration paid in cash and this contingent consideration. The liability resulting from the contingent consideration is considered part of the cost of the acquired group of assets and liabilities.

The consideration in the transaction amounted to €7,027 thousand, of which €1,500 thousand was paid in cash and €5,526 thousand was recognized as a liability for contingent consideration related to projected performance payments. The fair value at initial recognition was determined based on the discounted value of expected performance payments to be made to the sellers. The performance payments are dependent on meeting certain order quantities and gross profit targets in the periods following the acquisition. The maximum amount of performance payments payable to the sellers, when all targets will be met, amounted to €6,500 thousand.

Envipco does not amend the cost of the acquired technology as initially recognized. The Company considers this the most appropriate method to ensure consistency with management's interpretation of the definition of cost from IAS 16 and 38, as well as the conclusion that the liability from the performance payments, as mentioned above, is a contingent consideration arrangement within the scope of IFRS 9. Consequently, the acquired technology is amortized over its expected useful life, which is 5 years, evaluated periodically.

The assets and liabilities acquired at the time of the transaction were as follows:

in € thousands	2024
Acquired technology	6,643
Property, plant and equipment	6
Trade and other receivables	139
Cash and cash equivalents	34
Trade creditors and accrued expenses	(53)
Net assets acquired	**6,769**
Revaluation contingent consideration	258
Total consideration	**7,027**

Note 14 - Property, Plant and Equipment

in € thousands	RVMs	Land & Buildings	Plant & Machinery	Vehicles & Equipment	Total
at 1 January 2024	**9,098**	**4,546**	**1,917**	**1,425**	**16,985**
Changes to net carrying amount in 2024					
Additions	9,817	2,579	700	2,703	**15,799**
Disposals/transfers to inventory[1]	(3,880)	-	(1)	(57)	**(3,938)**
Reclassifications	603	298	(875)	(26)	**-**
Depreciation	(3,511)	(985)	(240)	(1,035)	**(5,771)**
Currency translation	635	248	(265)	(32)	**586**
Total changes in 2024	**3,664**	**2,140**	**(681)**	**1,553**	**6,676**
at 31 December 2024					
Cost	38,164	9,464	2,957	6,963	**57,548**
Accumulated depreciation	(25,402)	(2,778)	(1,721)	(3,985)	**(33,886)**
Net carrying amount	**12,762**	**6,686**	**1,236**	**2,978**	**23,662**
Changes to net carrying amount in 2025					
Additions	3,107	2,579	605	1,824	**8,115**
Disposals/transfers to inventory[1]	(367)	(1)	(165)	(9)	**(542)**
Reclassifications	-	-	-	-	**-**
Depreciation	(2,930)	(1,025)	(292)	(1,448)	**(5,695)**
Currency translation	(809)	(607)	(238)	157	**(1,497)**
Total changes in 2025	**(999)**	**946**	**(90)**	**524**	**381**
at 31 December 2025					
Cost	40,096	11,361	4,170	7,904	**63,531**
Accumulated depreciation	(28,333)	(3,729)	(3,023)	(4,402)	**(39,487)**
Net carrying amount	**11,763**	**7,632**	**1,147**	**3,502**	**24,045**

1) Transfers to inventory pertain primarily to the transfer of RVMs previously leased out to customers, which are reclassified from PP&E to inventories when returned and made available for sale.

At the end of 2025, no assets were under construction, and no impairment triggers were identified. The 2025 additions were mainly made up of investments in leased and demo RVMs, service equipment and production investments in the Romanian and Greek facilities. See Note 21 for security of assets.

The depreciation expenses are included in the following line items in the financial statements:

in € thousands	2025	2024
Cost of sales	3,470	4,020
Total cost of sales	**3,470**	**4,020**
General and administrative expenses	2,191	1,705
Selling and distribution expenses	34	41
Research and development expenses	-	5
Total operating expenses	**2,225**	**1,751**
Total depreciation expenses	**5,695**	**5,771**

Leases as lessee

The Company leases a number of buildings, plant and machinery and vehicles. The leases typically run for a period of three to five years, with an option to renew the lease after that date. A lessee is required to determine the lease term as the non-cancellable period of a lease, together with periods covered by an extension option if it is reasonably certain that the option will be exercised. Several lease contracts with respect to buildings contain extension options. On an individual basis the extension options are evaluated by management and where circumstances are such that control over the extension is obtained, or are reasonably certain to be obtained, extension options have been taken into consideration.

During 2025, no leased properties have been sub-let except for a smaller property lease in Greece. Information about leases for which the Company is a lessee is presented below.

Additions in 2025

Increased leases in 2025 mainly relate to newly opened offices in Europe, and commercial-field service locations in Romania, Hungary, Portugal and Poland.

Corrections of prior period leases

During 2024, Envipco identified and recorded previously omitted lease contracts and corrections to existing leases, leading to a change in the opening balances of right-of-use (ROU) assets and lease liabilities. These corrections were recorded at net book value (NBV), including accumulated depreciation, interest, and lease payments from prior years.

As a result, ROU assets increased by €1,818 thousand, lease liabilities increased by €1,957 thousand, and the net impact of €139 thousand was recognized in profit or loss. Management has assessed the net impact of these prior period omissions to be immaterial, and accordingly, no adjustment to previously issued financial statements has been made.

Short-term and low-value leases

The Company leases certain assets with lease terms of 12 months or less and/or low-value assets such as vehicles. The Company has elected not to recognize right-of-use assets and lease liabilities for these leases, applying the exemptions permitted under IFRS 16. The total expense related to leases accounted for under the short-term and low-value exemptions amounted to €429 thousand.

Guarantees and security deposits

In connection with certain lease agreements, the Company has provided security deposits to lessors. As of 31 December 2025, the total amount of deposits held by lessors in relation to lease contracts was €238 thousand. These deposits are typically refundable upon termination of the lease and do not affect the measurement of lease liabilities under IFRS 16.

Right-of-use assets

in € thousands	Land and Buildings	Plant and Machinery	Vehicles and Equipment	Total
At 1 January 2024	**2,059**	**119**	**764**	**2,942**
Changes to net carrying amount in 2024				
Additions	1,333	159	1,290	2,782
Corrections[1]	788	64	966	1,818
Disposals	-	-	(17)	(17)
Depreciation charge for the year	(776)	(65)	(763)	(1,604)
Currency translation	143	9	61	213
Total changes in 2024	**1,488**	**167**	**1,537**	3,192
At 31 December 2024				
Cost	5,149	415	3,795	9,359
Accumulated depreciation	(1,602)	(129)	(1,494)	(3,225)
Net carrying amount at 31 December 2024	**3,547**	**286**	**2,301**	6,134
At 1 January 2025	**3,547**	**286**	**2,301**	6,134
Changes to net carrying amount in 2025				
Additions	1,971		1,546	3,517
Corrections	(7)	-	(139)	(146)
Disposals	-	-	-	-
Depreciation charge for the year	(782)	(33)	(1,028)	(1,843)
Currency translation	(288)	(15)	(134)	(437)
Total changes in 2025	**894**	**(48)**	**245**	1,091
At 31 December 2025				
Cost	6,825	400	5,068	12,293
Accumulated depreciation	(2,384)	(162)	(2,522)	(5,068)
Net carrying amount	**4,441**	**238**	**2,546**	7,225

1) For more explanation, see prior page "Corrections of prior period leases".

Amounts recognized in profit or loss

in € thousands	2025	2024
Depreciation of right-of-use assets	(1,843)	(1,604)
Interest on lease liabilities	(620)	(417)
Expenses relating to short-term leases	-	(9)

Amounts recognized in statement of cash flows

in € thousands	2025	2024
Total cash outflow for leases	(2,388)	(1,941)

Note 15 - Financial Assets

in € thousands	2025	2024
Deposits with vendors	39	39
Trade receivables – non-current	2,453	2,057
Loan receivable	-	793
Total financial fixed assets	**2,492**	**2,889**

Non-current trade receivables relate to a retention withheld by selected customers when settling a sales invoice for RVMs sold. The retention is intended to protect the customer from losses if the Company fails to fulfil its contractual obligations during the warranty period of the RVMs. Since management has assessed that the retention is withheld for reasons other than the provision of financing to the customer, no discounting is applied in accordance with IFRS 15.62(c).

The loan receivable relates to an affiliate under common control of one of the biggest shareholders as of 31 December 2025, with an interest rate of Euribor plus 2.5%. The amount was fully settled in March 2026 and accordingly classified as a current receivable, see Note 18.

Changes in non-current trade receivables are included in the operating cash flow as part of changes in trade and other receivables.

Schedule of movement of non-current trade receivables

in € thousands	2025	2024
At beginning of period	2,057	713
Additions	396	1,344
At end of period	**2,453**	**2,057**

Schedule of movement of loan receivable

in € thousands	2025	2024
At beginning of period	793	752
Additions	34	41
Transfer to current	(827)	-
At end of period	**-**	**793**

Note 16 - Deferred Tax Assets and Liabilities

	31 December 2025					
in € thousands	Balance at 31 Dec 24	(Charge)/ credit P&L	Currency translation	Net balance	Deferred tax assets	Deferred tax liabilities
PP&E	(354)	408	-	54	54	-
Inventory	337	117	-	454	454	-
Tax losses carried forward	-	-	-	-	-	-
Other	447	(427)	(4)	16	16	-
Total	**430**	**98**	**(4)**	**524**	**524**	**-**
Set off to tax	-	-	-	-	40	(40)
Net tax assets and liabilities	**430**	**98**	**(4)**	**524**	**564**	**(40)**

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax relates to the same fiscal authority. The deferred tax liabilities are offset against deferred tax assets in the same fiscal unity. In the balance as per 31 December 2025, a balance has been re-allocated from 'Other' to 'PP&E' to reflect nature of the temporary difference.

Cumulative tax losses where no deferred tax has been recognized amounted to €37,049 (2024: €35,474), which expire as follows: €604 in 2027, €417 in 2028, €5,050 from 2031 through 2045 and €30,978 with no expiration.

Note 17 - Inventory

in € thousands	2025	2024
Finished Goods	7,036	9,038
Raw materials and parts	21,786	21,713
Work in progress	3,062	951
Provisions for obsolescence	(2,532)	(2,824)
Total	**29,352**	**28,878**

Finished goods are valued at lower of cost and net realizable value. Cost includes material cost, direct labor and overheads. Raw material and parts are valued at lower of cost and net realizable value. Cost includes purchase cost and cost of bringing the part to its present location. Work in progress is valued including direct material cost and a proportion of direct labor and overheads.

The amount of inventories recognized as an expense during the year, included within cost of sales, amounted to €32,253 thousand (2024: €47,423 thousand). This amount represents the cost of inventories sold during the period and comprises raw materials, direct labor and production overheads incurred in bringing inventories to their present location and condition.

Estimates of net realizable value of inventory are based on the most reliable evidence available at the time the estimates are made. The carrying amount of the inventory carried at fair value less costs to sell is nil. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after the end of the period to the extent that such events confirm conditions existing at the end of the period. As such, estimates are continuously evaluated and it is common that in the normal course of business, circumstances that previously caused inventories to be written down below cost no longer exist, resulting in reversals of write-downs.

Schedule of movement of provision for obsolescence

in € thousands	2025	2024
Beginning of period	2,824	2,113
Addition to/release of provision	(342)	580
Exchange gains/(losses)	50	131
End of period	**2,532**	**2,824**

The increase/(decrease) in provisions relating to inventories is affected through cost of sales.

Note 18 - Trade and Other Receivables

in € thousands	2025	2024
Trade receivables – current	24,504	31,728
Other receivables	1,527	779
Prepaid expenses	2,707	1,811
Loan receivables	828	-
Total	**29,566**	**34,318**

Estimates of the recoverability of trade receivables are based on the most reliable evidence available at the time the estimates are made. As these estimates are continuously evaluated, it is common that in the normal course of business, circumstances that previously caused trade receivables to be impaired no longer exist resulting in reversals of impairment charges. Trade receivables as per 31 December 2025 are shown net of bad debt provisions of €337 thousand (2024: €625 thousand).

Schedule of movement of bad debts

in € thousands	2025	2024
Beginning of period	625	634
Addition	241	268
Release	(227)	(185)
Utilization	(234)	(135)
Currency translation adjustment	(68)	43
End of period	**337**	**625**

Note 19 - Cash and cash equivalents

in € thousands	2025	2024
Bank balances	59,760	30,707
Short-term deposits	3	4
Other cash equivalents	96	37
Total	**59,859**	**30,748**

Cash balances increased in 2025 primarily due to the September 2025 share issuance (see Note 20) and the drawdown of the new debt facilities during the year (see Note 21).

All cash and cash equivalents are freely available and not subject to any restrictions.

Note 20 - Shareholders' equity

Share Capital

The Company has only one class of shares, which is ordinary shares. Each ordinary share carries one vote per share and the entitlement to receive dividends as declared. No treasury shares were held at 31 December 2025. The authorized and issued share capital is presented below:

	Ordinary Shares	
	2025	2024
Number of authorized shares	80,000,000	80,000,000
Authorized share capital	€4,000,000	€4,000,000
Number of outstanding shares on 1 January	57,690,377	51,690,377
Number of outstanding shares on 31 December	66,090,377	57,690,377
Issued share capital on 31 December	€3,304,519	€2,884,519
Nominal value	€0.05	€0.05

The Company issued 8,400,000 ordinary shares in September 2025 for a total consideration of NOK 630 million (approximately €54 million of gross proceeds). Transaction costs directly attributable to the share issuance amount to approximately €2.4 million and were deducted from equity.

Share premium reserve

For full detailed movements in share premium reserve please refer to the consolidated statement of changes in equity.

Legal reserve

According to Book 2 of the Netherlands Civil Code, the Company is required to restrict part of its equity from distribution to shareholders by forming a legal reserve equal to the amount it has capitalized for development costs. The equity enclosed in this legal reserve is not at the disposal of the AGM. Therefore, this amount cannot be distributed to shareholders until the capitalized development costs have been recognized in the profit and loss account.

The capitalized development costs as of 31 December 2025 amounted to €7,239 thousand (2024: €7,072 thousand). A legal reserve equaling these amounts has been created in both years by decreasing the share premium reserve with these respective amounts. The movement in the Company's legal reserve in respect of the capitalized development costs in 2025 amounted to €167 thousand (2024: -€653 thousand). See Note 13 for more information.

Retained earnings

At the Company's AGM it will be proposed to include the 2025 result in retained earnings.

Translation reserve

Company entities, whose functional currency is other than Euro, the Company's reporting currency, are translated using closing rates for balance sheets and average rates for income statements. The resulting difference is recognized as translation reserve in equity and is non-distributable.

Note 21 - Borrowings, Lease liabilities and Other non-current liabilities

Balances at year-end

in € thousands	2025	2024
Borrowings – current portion	17,103	18,771
Borrowings – non-current portion	1,700	8,164
Total borrowings	**18,803**	**26,935**
Lease liabilities – current portion	2,378	1,633
Lease liabilities – non-current portion	5,281	4,834
Total lease liabilities	**7,658**	**6,467**
Projected performance payments	-	3,231
Share based payment	530	1,170
Other	-	120
Other non-current liabilities	**530**	**4,521**

At 31 December 2025, projected performance payments related to the contingent consideration for the 2024 Sensibin acquisition equals €2,059 thousand and is presented as a current liability in Note 24. See Note 13 for further details on this acquisition.

In addition, the total liability for the share-based payment plan in the amount of €916 thousand (2024: €1,170 thousand) of which € 530 thousand is presented as non-current and €385 thousand as current. For further details on the share-based payment plan, reference is made to Note 9.

Borrowings

In 2025, only Envipco Holding NV has borrowings from third-party lenders for €16,254 thousand (2024: €7,941 thousand). Envipco Solutions Romania repaid its borrowings and ended its factoring arrangements during 2025 and only has a financing arrangement for €2,549 thousand (2024: €3,090 thousand).

The following finance arrangements are in place at year-end:

in € thousands	Nominal interest rate	Year of maturity	Face Value	Carrying amount 2025	Carrying amount 2024
Line of credit	US Prime Rate	2025	$6,000	-	€5,776
Line of credit	ROBOR +2.25%	2025	RON 15,000	-	€2,247
Revolving credit facility	Euribor +2.25%	2028	€11,000	€10,430	-
Mortgage facility	5.50%	2025	$2,240	-	€1,378
Term loan	3.51%	2025	$6,000	-	€866
Term loan	SOFR +3.00%	2025	$3,000	-	€1,443
Term loan	7.35%	2028	€9,000	€5,824	€7,941
Financing arrangement	8.92%	2029	€3,162	€2,549	€3,090
Factoring arrangement	ROBOR +1.90%	2025	RON 20,867	-	€4,194

During 2025, the Company fully repaid the following facilities that were collateralized by fixed and floating charges on all assets of the US subsidiary:

- Line of Credit of $6,000 thousand (2024: €5,776 thousand);
- Mortgage facility of $1,432 thousand (2024: €1,378 thousand); and
- Two term loans of $900 thousand (2024: €866 thousand) and $1,499 thousand (2024: €1,443 thousand).

The outstanding term loan with a carrying amount of €5,824 thousand (2024: €7,941 thousand) was secured in 2023, bears an interest rate of 7.35%, and is repayable quarterly until 2028. This loan is collateralized by the Company's European trade receivables.

Revolving Credit Facility

As of August 2025, the Company entered into a new Revolving Credit Facility with a Dutch bank amounting to €11,000 thousand, repayable in 2028 and bearing interest at Euribor plus 2.25%. The facility is secured by the receivables, inventory, and fixed assets and is guaranteed for €6,000 thousand by a Dutch investment bank that also issued the Company's third term loan.

Covenant compliance

The Company's bank facilities include financial covenants relating to (i) solvency, (ii) the Debt Service Coverage Ratio (DSCR) and (iii) the ratio of senior net debt to EBITDA. At 31 December 2025, the Company was not in compliance with the DSCR covenant, while remaining compliant with the other covenants.

The DSCR breach is considered temporary and primarily timing-driven, due to lower-than-expected EBITDA. This was primarily attributable to the timing of DRS market implementations and installation schedules in several newly regulated markets shifting revenues originally expected to be recognized in late 2025 into 2026, while certain fixed operating costs, inventory build-up and preparatory capacity investments were incurred ahead of market go-lives.

Following the breach, the Company engaged with its lenders and obtained formal waivers for 2025 on 23 April 2026, subsequent to the reporting date. The waivers did not result in any amendments to the covenant levels or other material terms of the financing arrangements. In accordance with IAS 1, the related borrowings have therefore been classified as current at year end.

Management expects covenant compliance to be restored based on forecasted improvements in EBITDA and cash flows. Further details on forecast assumptions, sensitivities and inherent uncertainties are included in Note 1.

Financing arrangement (sale-and-leaseback)

By the end of 2024, the Company entered into an agreement under which legal ownership of certain self-manufactured RVMs was transferred to a financing company, followed by a five-year leaseback agreement. As the transfer did not meet the requirements of IFRS 15 to be accounted for as a sale, the assets continue to be recognized as property, plant and equipment (see Note 14).

The cash consideration received is recognized as a financial liability under borrowings and is accounted for in accordance with IFRS 9, as prescribed in IFRS 16.103(a). The liability is measured at amortized cost using an effective interest rate of 8.92% and matures within five years. The carrying amount at 31 December 2025 amounted to €2,549 thousand (2024: €3,090 thousand), of which €750 thousand is classified as a current financial liability.

Factoring arrangement

The Company also entered into a factoring agreement during 2024. As of 31 December 2025, all factoring activities were discontinued, and all outstanding balances were settled.

Reconciliation of movements of liabilities to cash flows arising from financing activities

Schedule of borrowings movement

in € thousands		2025	2024
At beginning of period		26,935	16,675
Additions	Cash impact	11,000	10,364
Regular repayments	Cash impact	(17,872)	(2,529)
Changes in credit lines	Cash impact	-	1,954
Sub-total of cash impact		**20,063**	**9,789**
Translation effect	No cash impact	(1,261)	471
At end of period		**18,803**	**26,935**

Schedule of lease liabilities movement

in € thousands		2025	2024
Beginning of period		6,468	3,052
Additions	No cash impact	3,517	2,753
Corrections and remeasurements	No cash impact	(146)	1,957
Interest expense	No cash impact	620	417
Repayment	Cash impact	(2,388)	(1,941)
Translation effect	No cash impact	(414)	229
End of period		**7,657**	**6,467**

Schedule of other non-current liabilities movement

in € thousands		2025	2024
Beginning of period		4,521	375
Additions	No cash impact	10	4,146
Releases	No cash impact	(3,231)	-
Reclass to current of LTIP liability	No cash impact	(385)	-
Settlement of LTIP liability	Cash impact	(385)	-
End of period		**530**	**4,521**

The reductions include a €3,221 thousand liability for projected performance payments related to the 2024 Sensibin acquisition contingent consideration, which is a non-cash remeasurement effects, (see Notes 13 and 24). Further, in relation to the share-based payment plan (see Note 9), an amount of €385 thousand was paid within the year and €385 thousand is expected to be settled within 12 months and therefore reclassified to current liabilities (see Note 24).

Future payments under long-term borrowings

in € thousands	2025	2024
Current	18,977	20,270
Due between 1 to 5 years	1,970	9,170
Total undiscounted long-term borrowings	**20,947**	**29,440**
Less: future interest	(2,145)	(2,505)
Total borrowings	**18,803**	**26,935**

No borrowings are due later than five years as of 31 December 2025.

Future payments under lease liabilities

in € thousands	2025	2024
Current	2,378	2,137
Due between 1 to 5 years	5,285	4,250
Due more than 5 years	2,698	2,423
Total undiscounted lease payments	**10,361**	**8,810**
Less: future interest	(2,703)	(2,343)
Total lease liabilities	**7,658**	**6,467**

Fair value of borrowings

		2025		2024	
in € thousands	Nominal interest rate	Carrying amount	Fair Value	Carrying amount	Fair Value
Revolving Credit Facility	Euribor +2.25%	10,430	10,900	-	-
Line of credit	US Prime Rate	-	-	5,776	5,776
Line of credit	ROBOR +2.25%	-	-	2,247	2,247
Mortgage facility	5.50%	-	-	1,378	1,460
Term Loan	3.51%	-	-	866	832
Term Loan	SOFR plus 3.0%	-	-	1,443	1,372
Term Loan	7.35%	5,824	5,600	7,941	8,050
Financial arrangement	8.92%	2,549	2,549	3,090	3,090
Factoring arrangement	ROBOR plus 1.9%	-	-	4,194	4,194
Total		18,803	19,049	26,935	27,021

The fair values of long-term borrowings are estimated using discounted cash flow techniques based on observable market interest rates and risk parameters relevant to the instruments.

Note 22 - Provisions

in € thousands	2025	2024
Current	573	1,210
Non-current	1,013	568
Total provisions	**1,587**	**1,778**

Movement of warranty provisions

Warranty provisions are recognized for assurance-type warranties associated with the sale of reverse vending machines, requiring the repair or replacement of products that fail due to manufacturing defects. The provision relates to warranties with durations of one to three years on European machine sales and is considered adequate based on expected usage.

in € thousands	2025	2024
Beginning of period	1,775	1,970
Additions	1,098	2,111
Release	(319)	(1,267)
Utilization	(926)	(1,070)
Exchange gains/(losses)	(49)	34
End of period	**1,578**	**1,778**
Current portion	565	1,210
Non-current portion	1,013	568

Note 23 - Employee Benefit Plans

Company subsidiaries provide pension benefits for their employees. The way these benefits are provided varies according to the legal, fiscal and economic conditions of each country. Such benefits are provided under defined contribution plans. For the year ended 31 December 2025, expenses relating to defined contribution plans increased to €1,128 thousand (2024: €1,002 thousand), primarily due to increasing headcount.

Note 24 - Accrued Expenses, Deferred revenue and Other current liabilities

in € thousands	2025	2024
Payroll and vacation accruals	2,951	4,660
Other accrued expenses & current liabilities	4,721	4,952
Deferred revenue	2,286	1,515
Total	**9,958**	**11,127**

Other accrued expenses and liabilities consist of various liabilities, including the projected performance payments related to the Sensibin acquisition contingent consideration, as well as rent, lease and audit fees, professional and legal fees. The current liabilities also include an amount of €385 thousand related to the share-based payment plan which is expected to be settled within 12 months and therefore classified as current (see Note 21).

Tax liabilities

Tax-related accruals are as follows:

in € thousands	2025	2024
VAT payable	1,378	1,611
Wage tax and social security payable	1,317	1,540
Corporate income tax payable	120	140
Total	**2,814**	**3,291**

Sensibin contingent consideration valuation

In August 2024, Envipco acquired Sensibin Limited for a combination of cash and contingent consideration based on performance targets in 2025 and 2026. As of 31 December 2025, no orders or deliveries had been completed to meet the performance targets set for 2025. In addition, the Company updated its outlook for the remaining performance targets for 2026 based on the pipeline of identified opportunities and observed market demand.

During 2025, the Company also agreed to an extension of the contingent consideration performance measurement period. This extension was primarily driven by delays in completing post-acquisition technical improvements and testing required to address initial quality issues, which resulted in later-than-originally anticipated commercial rollout of the acquired technology. The extension was intended to align the assessment of performance targets with the revised operational and commercial timeline.

Accordingly, the related liability for the contingent consideration was remeasured to reflect updated performance expectations and the extended measurement period. As the 2025 performance targets were not met and expectations for future performance were revised, part of the previously recognized contingent consideration was reversed, resulting in a gain of €4,000 thousand, which has been reported under Other income in the Statement of Comprehensive Income (see Note 8). Such fair value measurement is categorized within Level 3 of the fair value hierarchy and is based on an income approach.

See Notes 8 and 13 for further details on this 2024 acquisition and the related contingent consideration.

Deferred revenue and balance movements

Deferred revenue consists predominantly of contractual prepayments from customers on machine deliveries.

in € thousands	2025	2024
Beginning of period	1,515	6,060
Additions	1,712	14,983
Release	(941)	(19,528)
End of period	**2,286**	**1,515**

The increase is mainly due to contractual advance payments received for new contracts signed across various markets and are related to scheduled performance obligations to be met in the first half of 2026.

Revenue reported resulting from the deferred revenue balance movement is €941 thousand (2024: €19,528 thousand). The closing balance is expected to be recognized as revenue within 12 months.

Note 25 - Off balance sheet assets and commitments

The future minimum lease receivable under non-cancellable RVM operating leases as of 31 December 2025 and 2024 were as follows:

in € thousands	2025	2024
Within 1 year	2,444	2,861
Between 2 to 5 years	4,656	4,228
Total	7,099	7,089

Lease revenues from RVMs for the year ended 31 December 2025 were €4,400 thousand (2024: €3,815 thousand).

Fiscal unity

The Company is part of the fiscal unity with Envipco Europe B.V. for corporate income tax (CIT) and value-added tax (VAT) purposes. The standard conditions stipulate that each of the companies is liable for the tax payable by all companies belonging to the fiscal unity. Pursuant to the Collection of State Taxes Act, the Company, along with the subsidiary that is part of the fiscal unity, is wholly and severally liable for taxation payable by the fiscal unity.

Germany subsidiary exemption

Envipco Automaten GmbH, a wholly owned subsidiary of Envipco Holding N.V. incorporated in Germany, makes use of the exemption from the preparation, audit and publication of statutory financial statements as provided for in Section 264(3) of the German Commercial Code (Handelsgesetzbuch, or HGB).

In connection with this exemption, Envipco Holding N.V. has issued a declaration of guarantee pursuant to German law, under which it undertakes to assume liability for the obligations entered into by Envipco Automaten GmbH during the financial year.

Guarantees in respect of subsidiaries

In connection with the Company's financing arrangements, including the revolving credit facility and term loans, Envipco Holding N.V. and certain of its subsidiaries have provided guarantees and security in favor of lenders in respect of the obligations of the Company and its subsidiaries.

Under these arrangements, Envipco Holding N.V. and relevant subsidiaries may be jointly and severally liable for amounts due under the financing agreements. As of the reporting date, no amounts have been called under these guarantees and management does not expect any outflows to arise.

Note 26 - Related party transactions

On 24 September 2025, Envipco entered into a share lending agreement with related parties in connection with the private placement, under which 8,400,000 shares were temporarily lent without consideration (see Note 21). The arrangement constituted a temporary transfer of shares with an obligation to return the shares, solely to facilitate the private placement. All shares were reissued and redelivered on 3 October 2025.

The lending shareholders were Mr. Gregory Garvey (Garvey), Gregory Garvey Family Investments LLC (GGFI) and Mr. Maurice Bouri (Bouri) as share lenders with:

- 2,280,540 shares lent by Garvey,
- 3,144,859 shares lent by GGFI and,
- 2,974,601 shares lent by Bouri.

The balance receivable at year end from an affiliate under common control of the majority shareholder was €827 thousand (2024: €793 thousand) with interest at Euribor plus 250 bps which was extended in the year and repayable on 31 January 2027. Reference is made to Note 15 for further details.

The amounts disclosed for key management personnel remuneration include the share-based payment expense recognized in the year, reflecting the modified vesting terms of the shadow share plans.

Details on the Board's remuneration are provided in the Governance Report.

Note 27 - Post balance sheet events

On 12 January 2026, Envipco announced Simon Bolton, CEO, would depart the Company effective 30 April 2026. On 17 March 2026, Envipco announced José Matthijsse would succeed Simon as the Company's CEO, with effect from 18 May 2026.

As previously noted, the Bouri Family hold an option to repurchase 1,850,000 of the Company's shares previously sold to Gregory Garvy on 28 March 2023. On 27 March 2026, the Bouri Family and Mr. Garvy entered into an extension of the option agreement, in which it was agreed that the repurchase option is extended until 28 March 2027.

On 23 April 2026, after the reporting date, the Company received formal waivers from its lenders related to the DSCR covenant breach that existed at 31 December 2025. The waivers did not result in any amendments to the covenant levels or other material terms of the financing arrangements. As the waivers were obtained after the reporting date and the covenant breach existed at year-end, the related borrowings have been classified as a current liability in the Consolidated Statement of Financial Position.

At the Extraordinary General Meeting held on 30 April 2026, shareholders approved the appointment of José Matthijsse and Patrick Gierman as executive members of the Board of Directors for a period of four years, effective from the date of that Extraordinary General Meeting.

Following the reporting period, the Company publicly disclosed share purchases by primary insiders. On 19 January 2026, Mr. Gregory Garvey, Chairman of the Board, acquired 100,000 ordinary shares in Envipco Holding N.V., comprising 70,000 shares purchased at NOK 51.6476 per share and 30,000 shares purchased at EUR 4.438 per share. On 20 January 2026, Mr. Garvey acquired a further 130,000 ordinary shares in Envipco Holding N.V. at NOK 52.3333 per share. Subsequently, on 24 June 2026, Mr. Garvey acquired an additional 200,000 ordinary shares in Envipco Holding N.V. On 26 June 2026, Mr. José Matthijsse, Chief Executive Officer and Executive Director, acquired 15,000 ordinary shares through his closely related entity Connect & Grow B.V.

Company Only Financial Statements

Company Only Statement of Financial Position

(After appropriation of results)

in € thousands	Note	2025	2024
Assets			
Non-current assets			
Intangible assets	(B)	9,030	8,521
Tangible assets	(C)	1,849	544
Financial fixed assets	(D)	69,359	61,413
Total non-current assets		**80,238**	**70,478**
Current assets			
Trade and other receivables	(E)	13,135	11,600
Cash and cash equivalents	(F)	46,136	9,148
Total current assets		**59,271**	**20,748**
Total assets		**139,509**	**91,226**
Equity			
Share capital		3,305	2,884
Share premium		147,142	96,131
Translation reserves		3,344	5,983
Legal reserves		7,239	7,071
Retained earnings		(56,351)	(46,874)
Total equity	(G)	**104,679**	**65,195**
Liabilities			
Non-current liabilities			
Loans from subsidiaries	(H)	7,390	3,735
Loans from credit institutions	(I)	-	5,824
Other liabilities	(I)	4,484	8,313
Total non-current liabilities		**11,874**	**17,872**
Current liabilities			
Creditors and other liabilities	(J)	6,703	6,041
Loans from credit institutions	(J)	16,253	2,118
Total current liabilities		**22,956**	**8,159**
Total liabilities		**34,830**	**26,031**
Total equity and liabilities		**139,509**	**91,226**

The Notes to the separate financial statements are an integral part of these separate financial statements.

Company Only Statement of Profit & Loss

in € thousands	Note	2025	2024
Revenues		-	24
Cost of sales		(124)	(124)
Gross Profit		**(124)**	**(100)**
General and administrative expenses	(K)	(17,585)	(12,507)
Market development expenses		(360)	(203)
Other income and expenses	(L)	11,376	6,947
Total expenses		**(6,569)**	**(5,763)**
Operating Profit (loss)		**(6,693)**	**(5,863)**
Financial expense	(M)	(1,436)	(1,266)
Financial income	(M)	1,710	1,208
Profit (loss) before tax		**(6,419)**	**(5,921)**
Tax on result from ordinary activities	(N)	-	(47)
Share of result from participating interests	(O)	(3,058)	3,001
Net Results		**(9,477)**	**(2,967)**

The Notes to separate financial statements are an integral part of these separate financial statements.

Notes to Company Only Financial Statements

Note A - General Information

For general information about the Company and its principal activities, Envipco refers to Note 1 of the consolidated financial statements. Refer to Note 3 of the consolidated financial statements for an overview of the Company's subsidiaries.

Accounting principles used to prepare Separate Financial Statements

The Company financial statements have been prepared in accordance with Part 9 of Book 2 of the Netherlands Civil Code. In accordance with Article 2:362 subsection 8 of the Civil Code, the Company has elected to apply the accounting policies used in the consolidated financial statements to the separate Company financial statements. The financial statements are presented in Euros, which is the Company's functional currency. All amounts are in thousands unless stated otherwise.

In addition, consolidated Company subsidiaries (financial fixed assets) are valued based on their net equity, determined using the Company accounting policies. In case the net equity of a Company subsidiary is negative, the Company nets the negative equity value with the intercompany loans which are determined to be part of the net investment as far as this is possible. For the remaining part of the negative equity, the Company records a provision for as far as the Company assesses that it has a legal or constructive obligation to reimburse the Company subsidiaries' losses.

The Company makes use of the option to eliminate intracompany expected credit losses against the book value of loans and receivables from the Company to participating interests, instead of elimination against the equity value / net asset value of the participating interests.

The share in the result of participating interests consists of the share of the Company in the results of these participating interests, determined based on the accounting principles of the Company. Results on transactions, where the transfer of assets and liabilities between the Company and the non-consolidated participating interests and mutually between non-consolidated participating interests themselves, are not recognized as they can be deemed as not realized.

Provisions for subsidiaries with negative equity

The Company assesses whether a present obligation exists in respect of financial support to subsidiaries, including whether a constructive obligation has arisen. A provision is recognized only where a present (legal or constructive) obligation exists, and it is probable that an outflow of resources will be required to settle the obligation. If no such obligation exists, no provision is recognized.

Note B - Intangible Fixed Assets

Intangible Assets

in € thousands	Patents and Licenses	Software	Development Costs	Total
At 31 December 2023				
Cost	787	1,189	16,553	18,529
Accumulated amortization and impairment	(753)	(72)	(8,828)	(9,653)
Net carrying amount	34	1,117	7,725	8,876
Changes to net carrying amount in 2024				
Additions	–	562	949	1,511
Disposals – cost	–	–	(2,146)	(2,146)
Disposals - amortization	–	–	2,146	2,146
Amortization	(21)	(242)	(1,601)	(1,865)
Total changes in 2024	(21)	320	(652)	(354)
At 31 December 2024				
Cost	787	1,751	15,355	17,893
Accumulated amortization and impairment	(775)	(314)	(8,283)	(9,372)
Net carrying amount	12	1,437	7,072	8,521
Changes to net carrying amount in 2025				
Additions	85	633	1471	2,189
Disposals – cost	–	–	–	-
Disposals – amortization	–	–	–	-
Amortization	(65)	(312)	(1,303)	(1,680)
Total changes in 2025	20	321	168	509
At 31 December 2025				
Cost	872	2,384	16,826	20,082
Accumulated amortization and impairment	(840)	(626)	(9,586)	(11,052)
Net carrying amount	32	1,758	7,240	9,030

Development costs

Key projects under development during 2025 included optical recognition, sensor accuracy, and modular platform architecture to improve reliability and throughput in high volume retail environments. Disposals in 2024 include internally developed intangible assets that were fully amortized and assessed as having no remaining future economic benefits and were derecognized.

See also Note 13 of the consolidated financial statements for capitalized development costs and software of the Company.

Note C - Tangible Fixed Assets

Tangible Assets

in € thousands	Land & Buildings	RVMs	Vehicles & Equipment	Total
At 31 December 2023				
Cost	-	140	-	**140**
Accumulated amortization and impairment	-	(2)	-	**(2)**
Net carrying amount	**-**	**138**	**-**	**138**
Changes to net carrying amount in 2024				
Additions	-	342	111	**453**
Amortization	-	(37)	(10)	**(47)**
Total changes in 2024	**-**	**305**	**101**	**406**
At 31 December 2024				
Cost	-	482	111	**593**
Accumulated amortization and impairment	-	(39)	(10)	**(49)**
Net carrying amount	**-**	**443**	**101**	**544**
Changes to net carrying amount in 2025				
Additions	551	489	481	**1,521**
Amortization	(17)	(94)	(105)	**(216)**
Total changes in 2025	**534**	**396**	**376**	**1,306**
At 31 December 2025				
Cost	551	971	592	**2,114**
Accumulated amortization and impairment	(17)	(133)	(115)	**(265)**
Net carrying amount	**534**	**838**	**477**	**1,849**

Note D - Financial Fixed Assets

in € thousands	2025	2024
Investment in subsidiaries	51,569	46,499
Loans to subsidiaries recognized as additional investments in subsidiaries	17,790	14,121
Loans receivables – affiliate	-	793
Total financial fixed assets	**69,359**	**61,413**

The movements in investments in subsidiaries reflect a combination of additional funding provided to subsidiaries in the form of loans that are accounted for as part of the Company's net investment, the results of subsidiaries for the year, exchange rate differences, and structural reclassifications.

During 2025, approximately €12 million of intercompany loans were converted into equity, which is included in "Investments in subsidiaries". This conversion represents a non-cash reclassification and is therefore not presented in the movements of "Loans to subsidiaries". These movements also include the transfer of negative equity positions to intercompany loans and provisions.

The loans to subsidiaries typically are renewed on an annual basis without agreed repayment schedule and are subject to EURIBOR +200 bps for European loans and SOFR +200 bps for US loans. These loans are classified as long term.

The loan receivable of €827 thousand (2024: €793 thousand) relates to an affiliate under common control of one of the biggest shareholders as of 31 December 2025, with an interest rate of Euribor plus 2.5%. The amount was fully settled in May 2026 and therefore reclassified to current receivables.

Investments in Subsidiaries

Movements in Investment in subsidiaries were as follows:

in € thousands	2025	2024
Beginning of period	46,499	31,597
Investments in subsidiaries	12,950	6,769
Results of the Company subsidiaries for the year	(3,058)	3,001
Exchange differences	(2,638)	1,472
Movement of negative participations to loans	(1,840)	3,131
Movement of negative participations to provision	(345)	529
End of period	**51,568**	**46,499**

For further details, see Note R for securities and guarantees.

Loans to Subsidiaries

Movements in Loans to subsidiaries were as follows:

in € thousands	2025	2024
Beginning of period	14,121	15,599
Additions	16,849	3,576
Equity conversions	(12,950)	(318)
Interest expense	1,312	1,162
Repayments	(3,383)	(2,767)
Movement of negative participations to loans	1,840	(3,131)
End of period	**17,789**	**14,121**

Note E - Receivables

in € thousands	2025	2024
Trade receivables	26	70
Other receivables	1,141	963
Receivables from subsidiaries	11,141	10,567
Current Loan receivable	827	-
Total	**13,135**	**11,600**

In 2025, Other receivables mainly include prepaid expenses for €666 thousand (2024: €363 thousand) and VAT for €331 thousand (2024: €499 thousand).

Receivables from subsidiaries include management service fee and royalties charged. As the position is considered short term, no Interest is charged. The remaining balances are expected to be collected within 12 months and otherwise reclassified as loans from subsidiaries and subject to interest.

The current loan receivable of €827 thousand relates to an affiliate under common control, please refer to Note D for further details.

Note F - Cash and Cash Equivalents

in € thousands	2025	2024
Cash at bank and in hand	46,136	9,148
Total	**46,136**	**9,148**

All cash and cash equivalents are freely available and not subject to any restrictions.

Note G - Shareholders' Equity

Refer to the Consolidated statement of changes in equity and Note 20 for further information regarding the Company's Shareholders' equity.

Reconciliation of statutory equity to group equity

in € thousands	2025
Statutory equity	104,679
Differences due to full consolidation of subsidiaries (100%) vs. net asset value accounting	(1,251)
Equity attributable to the owners of the parent	**103,428**

The line Differences due to full consolidation of subsidiaries (100%) vs net asset value accounting reflects the impact of applying full consolidation in the consolidated financial statements, compared to the measurement of investments in subsidiaries at net asset value in the statutory financial statements.

These differences primarily relate to subsidiaries with negative equity positions for which no provision has been recognized in the statutory financial statements. This is because there is no legal or constructive obligation to absorb these losses, and management does not expect that a cash outflow will be required. In the consolidated financial statements, however, these negative equity positions are fully recognized as part of equity attributable to the owners of the parent.

Share premium reserve

For full detailed movements in share premium reserve please refer to the consolidated statement of changes in equity.

Legal reserve

According to Book 2 of the Netherlands Civil Code, the Company is required to restrict part of its equity from distribution to shareholders, by forming a legal reserve equal to the amount it has capitalized for development costs. The equity enclosed in this legal reserve is not at the disposal of the AGM. Therefore, this amount cannot be distributed to shareholders until the capitalized development costs have been recognized in the profit and loss account. The capitalized development costs as of 31 December 2025 amounted to €7,239 thousand (2024: €7,072 thousand). A legal reserve equaling these amounts was recorded in both years by decreasing the share premium reserve with these respective amounts.

Dividends

No dividends were declared or paid by the Company for the year. The Board proposes that the result for 2025 will be deducted from the retained earnings.

Proposed appropriation of profit or loss for the financial year 2024

At the AGM of 12 August 2025, the appropriation of profits was adopted and therefore, the 2024 results were deducted from the retained earnings.

Proposed appropriation of profit or loss for the financial year 2025

No dividend was paid in 2025. The Board proposes that the result for the financial year 2025 will be deducted from the retained earnings. The financial statements reflect this proposal.

The Netherlands Civil Code stipulates that the Company can only make payments to the shareholders and other parties entitled to the distributable profit insofar as (1) the Company can continue to pay its outstanding debts as they fall due after the distribution (the so-called distribution test), and (2) following the distribution, the Company's equity exceeds the paid-up share capital and the statutory reserves that must be maintained under law or the articles of association (the so-called balance sheet test). If these conditions are not met, management of the Company shall not approve any distribution.

Note H - Loans from subsidiaries

in € thousands	FY 2025	FY 2024
Beginning of period	3,735	4,719
Additions	5,909	-
Interest expense	248	255
Repayments	(2,273)	(1,388)
Translation effect	(229)	151
End of period	**7,390**	**3,735**

Loans from subsidiaries include current balances that have been rolled over by the Company annually and will not be repaid in the short term. Interest is charged at one-year EURIBOR for European business units and one-year SOFR for non-European business units +200 bps in 2025. The Company formalized the agreements in 2025 and presented this as non-current in the balance sheet in accordance with the revised maturity. Reference is made to Note R for securities and guarantees.

Note I - Non-current liabilities

Loans from credit institutions

in € thousands	2025	2024
Loans from credit institutions	-	5,824
Total	-	**5,824**

At 31 December 2025, no loans from credit institutions were classified as non-current. Loans from credit institutions relates to two loans with a carrying amount of €16,253 thousand (2024 €7,941 thousand). One loan was secured in 2023 and is repayable quarterly until 2028 and has an interest rate of 7.35%. The second loan was secured in 2025, is repayable in full in 2028 and has an interest rate of Euribor +225 bps. These loans are collateralized by the Company's assets including receivables, inventory and fixed assets like buildings and RVM's.

The debt covenants applicable to the Company's loans consist of a solvency covenant, a Debt Service Coverage Ratio (DSCR) and a Senior Net Debt/EBITDA ratio. Further information on the Company's non-compliance with the DSCR covenant in 2025 is provided in Note 1 and 21 of the consolidated financial statements.

Other non-current liabilities

in € thousands	2025	2024
Provision against investments	3,445	3,790
Non-current lease liabilities	509	-
Other non-current liabilities	530	4,523
Total other liabilities	**4,484**	**8,313**

The Company determines that a constructive obligation exists to reimburse for all the subsidiaries' losses and therefore records a provision for the entire amount of the subsidiaries' negative equity after netting with the intercompany loans.

Projected performance payments related to the 2024 Sensibin acquisition contingent consideration are €2,059 thousand (2024: €5,526 thousand). The full amount of €2,059 thousand (2024: €2,295 thousand) is presented as an Other current liability per year-end and is revalued based on 2025 and 2026 performance indicators and the extended period to meet the performance criteria. See Note 24 of the consolidated financial statements for further information.

The Company entered a new office lease with a contractual term of 10 years, cancelable after five years. The related lease liability is recognized under other non-current liabilities to the extent due after 12 months.

In addition, a non-current liability for the share-based payment plan in the amount of €530 thousand (2024: €1,170 thousand) is included in the Other non-current liabilities. For further details on the share-based payment plan, see Note 9 of the consolidated financial statements.

Note J - Creditors and Other Liabilities

in € thousands	2025	2024
Creditors	935	1,602
Accrued expenses	1,210	1,374
Payables to subsidiaries	2,015	706
Other liabilities	2,543	2,360
Total	**6,703**	**6,042**

Accrued expenses consist mainly of payroll and vacation accrual of €575 thousand (2024: €1,114 thousand).

Other liabilities include €2,059 thousand related to the current portion of the contingent consideration payments related to the 2024 Sensibin acquisition, with the remainder relating to the current portion of the lease liabilities.

Loans from credit institutions

in € thousands	2025	2024
Loans from credit institutions	16,253	2,118
Total	**16,253**	**2,118**

From the loan specified in Note I above, €16,253 thousand (2024: €2,118 thousand) is classified as current.

Note K - General and Administrative Expenses

General and administrative expenses include the following:

in € thousands	2025	2024
Employee benefit expense	5,927	5,897
Fees and other external costs	5,559	4,699
R&D expense	4,204	-
Depreciation and amortization	1,895	1,911
Total	**17,585**	**12,507**

The total cost increase in 2025 primarily supports an enhancement of the company's internal cost allocation methodology in line with tax and transfer price guidance. A total of €4.2 million R&D expenses were charged to Envipco Holding in 2025 by its subsidiaries, which was not done in prior years. The increase in Fees and other external costs relate mainly to the company's ongoing scaling and professionalization activities.

Employee benefit expense

The total employee benefit expense is split in the following categories:

in € thousands	2025	2024
Salaries and wages	4,997	4,467
Social Security expenses	619	411
Pension expenses	180	103
Long-term compensation plan	131	916
Total	**5,927**	**5,897**
Average number of employees		
Director	3	1
General and Administrative	17	16
Total	**20**	**17**

During 2025, the average number of employees amounted to 20 persons (2024: 17 persons), all working from the Netherlands. For details on the remuneration of the Board reference is made to Note 9 of the consolidated financial statements.

Note L - Other operating income and expenses

Other operating income and expenses

in € thousands	2025	2024
Management fee	7,250	6,381
Royalty fee	127	824
Revaluation of Sensibin contingent consideration	3,999	(258)
Total	**11,376**	**6,947**

Management fees increased in 2025 compared to 2024 because of increased corporate costs supporting the growth of the organization.

Revaluation of contingent consideration related to the 2024 Sensibin acquisition was favorable in 2025 because the 2025 performance targets were not met and expectations for future performance were revised, resulting in a partial reversal of the previously recognized contingent consideration liability. See Notes 13 and 24 of the consolidated financial statements for additional information.

Note M - Finance Income and Expense

in € thousands	2025	2024
Interest and similar expenses – external	(1,188)	(643)
Interest and similar expenses – intercompany	(248)	(240)
Exchanges losses	-	(383)
Total finance expense	**(1,436)**	**(1,266)**
Interest and similar income - external	136	46
Interest and similar income - intercompany	1,312	1,162
Exchange gains	262	-
Total finance income	**1,710**	**1,208**
Total	**274**	**(58)**

The change in net exchange result primarily reflects movements in foreign exchange rates, particularly the US Dollar against the euro, during 2025.

The movement in interest expense is due to the loans from external credit institutions as included in Note J, as well as the unwinding of the discount (time value) on contingent consideration related to the Sensibin acquisition. Movement in interest and similar income is driven by increase in loans granted to subsidiaries as included in Note D.

Note N -Tax on Result from Ordinary (Business) Activities

The tax on the result from ordinary activities, amounted to €0 (2024: €0), which is specified as follows:

in € thousands	2025	2024
Result before taxes	(6,419)	(2,967)
Income tax using the appropriate tax rate in the Netherlands @ 25,8%	1,656	765
Participation exemption	-	774
Current year losses for which no deferred tax asset was recognized	(1,656)	(1,587)
Effective taxes	-	(47)

Tax losses in Dutch fiscal unity where no deferred tax has been recognized amount to €12,098 thousand (2024: €9,330 thousand). The Company, together with its subsidiaries in the Netherlands is part of the fiscal unity of Envipco Holding N.V. for corporate income tax purposes. The standard conditions stipulate that each of the companies is liable for the tax payable by all companies belonging to the fiscal unity.

Note O - Transactions with Related Parties

Transactions and relations with the shareholders and affiliates are explained in Notes 18 and 26 of the consolidated financial statements.

Net research and development costs invoiced by Germany and the US were €1,471 thousand (2024: €948 thousand) to the Company. The Company subsidiaries charge interest on intercompany loans. No interest is charged on the intercompany current account balances. The Company also charges a management- and royalty fee to its subsidiaries.

Note P - Financial Instruments

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

In the notes to the consolidated financial statements information is included about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

These risks, objectives, policies and processes for measuring and managing risk, and the management of capital apply also to the separate financial statements of the Company.

Note Q - Fair Value

The fair values of most of the financial instruments recognized on the statement of financial position, including trade and other receivables, cash and cash equivalents, and current liabilities, are approximately equal to their carrying amounts. The fair value of the loans due to and from Company subsidiaries cannot be determined with sufficient certainty. For further information, please refer to Notes D and H.

Note R - Commitments and Contingencies

Fiscal unity

Reference is made to Note 25 for details of the fiscal unity.

Germany subsidiary exemption

Reference is made to Note 25, which includes the disclosure relating to the application of the exemption under Section 264(3) of the German Commercial Code (HGB) for Envipco Automaten GmbH.

Guarantees in respect of subsidiaries

Reference is made to Note 25 for details of guarantees and security provided in connection with the Group's financing arrangements.

Note S - Post Balance Sheet Events

On 12 January 2026, Envipco announced Simon Bolton, CEO, would depart the Company effective 30 April 2026. On 17 March 2026, Envipco announced José Matthijsse would succeed Simon as the Company's CEO, with effect from 18 May 2026.

As previously noted, the Bouri Family hold an option to repurchase 1,850,000 of the Company's shares previously sold to Gregory Garvy on 28 March 2023. On 27 March 2026, the Bouri Family and Mr. Garvy entered into an extension of the option agreement, in which it was agreed that the repurchase option is extended until 28 March 2027.

On 23 April 2026, after the reporting date, the Company received formal waivers from its lenders related to the DSCR covenant breach that existed at 31 December 2025. The waivers did not result in any amendments to the covenant levels or other material terms of the financing arrangements. As the waivers were obtained after the reporting date and the covenant breach existed at year-end, the related borrowings have been classified as a current liability in the Consolidated Statement of Financial Position.

At the Extraordinary General Meeting held on 30 April 2026, shareholders approved the appointment of José Matthijsse and Patrick Gierman as executive members of the Board of Directors for a period of four years, effective from the date of that Extraordinary General Meeting.

Following the reporting period, the Company publicly disclosed share purchases by primary insiders. On 19 January 2026, Mr. Gregory Garvey, Chairman of the Board, acquired 100,000 ordinary shares in Envipco Holding N.V., comprising 70,000 shares purchased at NOK 51.6476 per share and 30,000 shares purchased at EUR 4.438 per share. On 20 January 2026, Mr. Garvey acquired a further 130,000 ordinary shares in Envipco Holding N.V. at NOK 52.3333 per share. Subsequently, on 24 June 2026, Mr. Garvey acquired an additional 200,000 ordinary shares in Envipco Holding N.V. On 26 June 2026, Mr. José Matthijsse, Chief Executive Officer and Executive Director, acquired 15,000 ordinary shares through his closely related entity Connect & Grow B.V.

Gregory Garvey, Chairman

Ann Cormack, Non-Executive Director

Erik Thorsen, Non-Executive Director

José Matthijsse, Executive Director & CEO
Appointed 30 April 2026

Anne Jorun Aas, Non-Executive Director

Charlotta Gylche, Non-Executive Director

Maurice Bouri, Non-Executive Director

Patrick Gierman, Executive Director & CFO
Appointed 30 April 2026

11 July 2026

Other information

Statutory rules concerning appropriation of results

In Article 15 of the Company statutory regulations the following have been presented concerning the appropriation of results:

1. In the Company's books, a dividend reserve shall be maintained for each class of shares. These dividend reserves shall be designated as 'dividend reserve' followed by the letter corresponding with the relevant class of shares.
2. The Company may make distributions to shareholders and other persons entitled to distributable profits only to the extent that the shareholders' equity exceeds the sum of the paid and called-up part of the share capital and the reserves which must be maintained by law.
3. An amount equal to three percent of the average balance of the relevant dividend reserve over the relevant financial year, increased by the amounts withdrawn from the reserves pursuant to the provisions of paragraph 5 of this article, shall be retained from the profit as referred to in paragraph 2 of this article and added to each of the dividend reserves. If the amount calculated as described above is larger than the available profit, the amounts to be added shall be decreased pro rata.
4. The profit that remains after applying the above shall be at the disposal of the AGM. If the AGM does not resolve to add the profit to the Company's general reserve, the profit shall be added to the above-mentioned dividend reserves pro rata to the nominal amount of the shares of the single class.
5. Losses shall be charged to the Company's general reserve and, if and to the extent this reserve is insufficient, to the dividend reserves pro rata to the nominal amount of the shares of the single class.
6. Each withdrawal from the dividend reserve pursuant to the provisions of the preceding paragraph must be compensated before any addition can be made to any dividend reserve pursuant to paragraph 4.
7. The AGM shall resolve to distribute such amounts on the shares corresponding with a particular dividend reserve as has been decided upon by the meeting of the holders of the single class of shares, up to the amount of the positive balance of that dividend reserve and if and to the extent the relevant dividend reserve is sufficient.
8. The AGM may only decide not to distribute the amounts referred to in the preceding sentence if and to the extent that it can be demonstrated, and that the Company's liquidity position does not allow this.
9. The AGM is authorized to apply the dividend reserves for a different purpose after having obtained the prior approval of all holders of shares of a particular class, on the understanding that the distribution shall be charged to the various reserves' pro rata to the nominal amount of the shares of the relevant classes.
10. The Company may only make interim additions to the dividend reserves if the requirement in paragraph 2 has been met and provided that the prior approval of the AGM has been obtained.
11. No distribution shall be made in favor of the Company on shares acquired by the Company in its own capital for such shares.
12. Shares for shares on which, pursuant to the provisions of paragraph 7, no distribution is made in favor of the Company do not count for the purpose of calculating the profit appropriation.
13. The claim for payment of dividends shall lapse on the expiry of a period of five years.

Alternative performance measures

The Company uses EBITDA and net debt as financial performance measures as it enhances the understanding of The Company's performance. As both are not defined performance measures in IFRS and the definitions vary between companies, the tables below show the definitions used throughout this report including the calculations.

Reconciliation of Net results to EBITDA

in € thousands	2025	2024	2023	2022	2021
Net results	**(10,727)**	**(2,976)**	**601**	**(4,178)**	**592**
Income taxes	(753)	(3,691)	(556)	(224)	(933)
Results before tax	**(9,973)**	**715**	**1,157**	**(3,954)**	**1,525**
Adjustments for:					
- Net finance (cost) and or income	(2,362)	(2,987)	(1,128)	(1,244)	(806)
- Depreciation	(5,695)	(5,771)	(4,576)	(3,590)	(2,717)
- Amortization	(3,053)	(2,424)	(1,460)	(1,379)	(890)
EBITDA	**1,136**	**11,897**	**8,321**	**2,259**	**5,938**

Calculation of Net debt

in € thousands	2025	2024	2023	2022	2021
Current borrowings	17,103	18,771	7,363	3,620	1,140
Non-current borrowings	1,700	8,164	9,312	10,930	5,922
Total borrowings	**18,803**	**26,934**	**16,675**	**14,550**	**7,062**
Cash and cash equivalents	59,860	30,748	12,458	16,121	3,061
Net debt	**(41,057)**	**(3,814)**	**4,217**	**(1,571)**	**4,001**

Rounding and presentation of amounts

Unless otherwise stated, monetary amounts in the management report and other narrative sections of this Annual Report are presented in millions of euros (€ millions) and rounded to the nearest €0.1 million. Monetary amounts in the notes to the Consolidated Financial Statements are presented in thousands of euros (€ thousands) and rounded to the nearest thousand euros, in accordance with IFRS presentation requirements.

Ratios and percentages, including margins and ratios such as EBITDA margin, equity ratio and regional revenue mix, are calculated based on the underlying unrounded figures and are rounded to one decimal place. Variances and absolute changes, including year-on-year movements and absolute increases or decreases, are presented as whole numbers and are likewise derived from the underlying unrounded figures.

As a result of rounding and differences in presentation level, individual rounded figures, ratios and variances may not sum exactly to totals or correspond exactly to stated percentage changes. KPIs, alternative performance measures, and narrative disclosures are derived from the same underlying figures as the Consolidated Financial Statements, and differences arising solely from rounding or presentation level are not considered material.

Comparative information has been presented on a consistent basis with the current year.

Independent Auditor's report

The Independent Auditor's report is set forth on the following page.

Independent auditor’s report

To: the shareholders and board of Envipco Holding N.V.

Report on the audit of the financial statements 2025 included in the annual report

Our opinion

We have audited the financial statements 2025 of Envipco Holding N.V. based in Amsterdam. The financial statements comprise the consolidated financial statements and the company financial statements.

In our opinion:

- the accompanying consolidated financial statements give a true and fair view of the financial position of Envipco Holding N.V. as at 31 December 2025 and of its result and its cash flows for 2025 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code;
- the accompanying company financial statements give a true and fair view of the financial position of Envipco Holding N.V. as at 31 December 2025 and of its result for 2025 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The consolidated financial statements comprise:

1. the consolidated statement of financial position as at 31 December 2025;
2. the following statements for 2025: the consolidated statements of comprehensive income, changes in equity and cash flow; and
3. the notes comprising material accounting policy information and other explanatory information.

The company financial statements comprise:

1. the company only statement of financial position as at 31 December 2025;
2. the company only statement of profit & loss for 2025; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the ‘Our responsibilities for the audit of the financial statements’ section of our report.

We are independent of Envipco Holding N.V. in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities, the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics for Professional Accountants).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Materiality

Based on our professional judgement we determined the materiality for the financial statements as a whole at € 1.3 million. The materiality is based on a benchmark of revenues (representing 1.5% of reported revenues), which we consider to be one of the principal considerations for the users of the financial statements of the company in assessing the financial performance of the group. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the Board of Directors that misstatements in excess of € 65,000, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

Envipco Holding N.V. is at the head of a group of components. The financial information of this group is included in the financial statements of Envipco Holding N.V.

Based on our risk assessment, we determined the nature, timing and extent of audit procedures to be performed, including determining the components at which to perform audit procedures. Within our audit, components are determined based on the risk profile and size of the entities within the group. To appropriately respond to those assessed risks, we planned and performed tailored audit procedures, taking into account the management structure of the Group, the nature of operations of the group of entities, the accounting processes and controls, and the market in which the Group operates.

We have performed audit procedures on the following components: Envipco Holding N.V., Environmental Products Corporation (a subgroup consisting of: Envipco Pickup & Processing Services Inc., Environmental Products Recycling Inc. and Envipco N.D. Inc.), Envipco Automaten GmbH, Envipco Hellas SA, Envipco Solutions SRL, Envipco Sweden A.B., Envipco Europe B.V., Envipco Hungary Kft, Envipco Poland Sp. z o.o., Envipco France SA and Envipco Portugal Unipessoal LDA. The determined audit procedures are performed by the group engagement team as well as component audit teams for components based in the United States, Germany, Greece, Romania and Sweden.

We have performed audit procedures for 95% of revenues and 94% of total assets. At group level, we assessed the aggregation risk in the remaining financial information and concluded that there is less than reasonable possibility of a material misstatement.

By performing the procedures mentioned above at components, together with additional procedures at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion on the financial statements.

Audit approach going concern

The Board of Directors prepared the group (consolidated) financial statements on the assumption that the group is a going concern and that it will continue all its operations for at least twelve months from the date of preparation of these financial statements.

As explained in the “Going Concern” section of pages 79 to 81 of the financial statements and in the section ‘Liquidity, capital structure and financing’ in the management report, the Board of Directors has identified the following events and circumstances that may cause doubt on the entity's ability to continue as a going concern (hereinafter: ‘going concern risk’): a lower-than-estimated EBITDA outcome in 2025, primarily driven by the timing of DRS market implementations and installation schedules, resulting in revenue being deferred to subsequent periods while fixed operating costs were incurred. This has led to non-compliance with one of the bank covenants as at 31 December 2025.

The Board of Directors states that, through obtaining the covenant waiver for the breach in 2025, the expected cash flows, the expected EBITDA, and the Company’s liquidity and equity position, the going concern risk arising from non-compliance with the DSCR covenant at year-end 2025 and the uncertainty regarding compliance with the covenants in 2026 has been sufficiently mitigated. The Board of Directors’ assessment of the mitigation of the going concern risk is based on several key elements, including the expected go-live of DRS schemes in various countries, such as Poland, Portugal and the United Kingdom; the successful winning of orders and opportunities in these countries; and scenario analyses reflecting reasonably possible downside developments.

In order to assess the appropriateness of the going concern assumption applied by the Board of Directors for the period of twelve months from the date of preparation of the financial statements, including an evaluation of the effectiveness of the Board of Directors' measures to adequately mitigate the identified going concern risk and the adequacy of the related disclosures, we carried out the following audit procedures:

- Performing an initial assessment as part of the planning stage to identify events or conditions that may cast significant doubt on the group’s ability to continue operating as a going concern;
- Obtaining an understanding of relevant controls in place relating to the going concern assessment;
- Evaluating the budgeted operating results and related cash flows for the period of twelve months from the date of preparation of the financial statements considering developments in the industry, other external factors and our knowledge from the audit;
- Considering whether the Board of Directors' going concern assessment contains all relevant information that we have knowledge of as a result of our audit, and inquiring of the Board of Directors about key assumptions and estimates;
- Reviewing the scenario analyses conducted by the Board of Directors regarding variations in the assumptions and the expected outcomes, for the acceptability of the applied scenarios;
- Analyzing whether the current and necessary financing to be able to continue all business activities is secured, including evaluating compliance/projected compliance with relevant covenants;
- Obtaining information from the Board of Directors about its knowledge of going concern risks beyond the period of the going concern assessment carried out by the Board of Directors;
- Reviewing interim financial performance compared with the budget and cash flow forecast;
- Assessing the covenant calculations for the bank;
- Reviewing correspondence with the bank including the waivers regarding the covenants;
- Verifying whether other loans contain cross-default clauses; and
- Evaluating the adequacy of going concern disclosures made in the financial statements and management report.

We assessed whether the notes to the financial statements adequately describe the going concern risk, the measures taken by the Board of Directors to mitigate it, and the underlying key assumptions and estimates. We believe the disclosures included in the 'Going concern' section on pages 79 to 81 of the financial statement and the section ‘Liquidity, capital structure and financing’ in the management report on pages 17 to 19 are sufficient.

Audit approach fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud and non-compliance with laws and regulations. During our audit we obtained an understanding of the entity and its environment and the components of the system of internal control, including the risk assessment process and management's process for responding to the fraud risks and monitoring the system of internal control and how the audit committee exercises oversight, as well as the results thereof. We refer to section 'Risks & Uncertainties' as part of the Governance Report commencing on page 53 and to pages 58 and 59 for management's assessment of fraud risk and corruption and bribery.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as among others the code of conduct, whistle blower procedures and incident registration. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness, of internal controls designed to mitigate fraud risks. We have communicated significant deficiencies in internal control in writing to the Board of Directors.

As part of our process of identifying risks of material misstatements of the financial statements due to fraud, we evaluated fraud risk factors with respect to fraudulent financial reporting, misappropriation of assets and bribery and corruption. We evaluated whether these fraud risk factors indicate that a risk of material misstatement due to fraud is present.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.
We considered available information and inquired with relevant executives, directors and the audit committee. Our audit procedures did not lead to indications for fraud potentially resulting in material misstatements.

The fraud risks identified by us and the specific procedures performed are as follows:

RISK OF MANAGEMENT OVERRIDE OF CONTROLS	
Description:	Management is in a unique position to perpetrate fraud because management is able to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Therefore, in our audit, we paid attention to the risk of management override of controls at: ▸ journal entries and other adjustments made throughout the year and during the course of preparing the financial statements; ▸ consolidation adjustment entries; ▸ estimates and estimation processes; ▸ significant transactions outside the ordinary course of business. For Envipco specifically, we identified a fraud risk related to revenue recognition, which is further detailed in the next paragraph.
Our audit approach:	In response to the assessed fraud risk of management override of controls, our audit procedures included, amongst others, the following:

	- we made enquiries with management and the Board of Directors and obtained written representations regarding any actual, suspected, or alleged instances of management override of controls; - we inspected the minutes of meetings of those charged with governance to identify any discussions or decisions relevant to the risk of management override; - where relevant to the audit, we evaluated the design and implementation of internal control measures in processes related to the preparation of the financial statements, the generation and processing of journal entries and elimination entries, and the estimation process. These evaluations were performed assuming a risk of management override of controls in these processes; - we selected and tested manual journal entries based on risk criteria, with particular focus on entries related to revenue recognition. Substantive audit procedures were performed on these entries; - we tested the material adjustment entries made during the consolidation process by reviewing supporting documentation to ensure their validity; - we performed audit procedures on significant management estimates, including evaluating the processes and assumptions underlying these estimates; - we assessed the adequacy and accuracy of the disclosures of management estimates in the notes to the financial statements. Our audit procedures did not reveal any specific indications of fraud or suspicions of fraud related to management override of controls, that could result in material misstatements.

RISK OF FRAUDULENT FINANCIAL REPORTING DUE TO OVERSTATEMENT OF REVENUES	
Description:	We addressed the risk of fraud in revenue recognition for which we refer to the key audit matter ‘revenue recognition’, as set out in the section ‘Our key audit matters’ of this report.
Our audit approach:	We addressed the risk of fraud in revenue recognition for which we refer to the key audit matter ‘revenue recognition’, as set out in the section ‘Our key audit matters’ of this report.

RISK OF NON-COMPLIANCE WITH ANTI-BRIBERY AND CORRUPTION LAWS	
Description:	Envipco and its group companies operate in countries with a low Corruption Perceptions Index (CPI) and jurisdictions where specific anti-bribery and corruption laws are applicable. Furthermore, the group engages in contracts with government entities or government-related companies, which amplifies the risk of exposure to corruption. Despite these elevated risk factors, we observed that management has not implemented a formalized written corruption risk assessment or an anti-bribery and corruption policy to mitigate these risks. Therefore, in our audit, we pay attention to the risk of non-compliance with anti-bribery and corruption laws.

Our audit approach:	For the audit work performed in response to the assessed fraud risk, we refer to the key audit matter 'non-compliance with anti-bribery and corruption laws', as set out in the section 'Our key audit matters' of this report.

RISK OF OVERSTATING OF EXPENSES AND FRAUDULENT PAYMENTS	
Description:	The Group incurs a significant volume of expenses, which gives rise to an inherent risk of material misstatement due to errors or fraudulent activity in the accounting for these expenses. The risk is heightened by the potential for payments being made to incorrect creditors or bank accounts, particularly due to weaknesses in the purchase-to-pay process. Given the volume of expenses, as well as the potential for fraudulent payments, we identified the risk of overstating expenses and unauthorised payments as key area of focus in our audit.
Our audit approach:	In response to the assessed fraud risk related to expenses and payments, we performed, amongst others, the following procedures: ▸ we held discussions with the Board of Directors of Envipco Holding N.V. to identify any known or suspected instances of fraud; ▸ we evaluated the design and implementation of the Group's internal control measures related to the purchase-to-pay process to assess their effectiveness in mitigating fraud risks; ▸ we tested the appropriateness of journal entries made during the year. This included testing manual journal entries over expenses and entries that met specific risk-based criteria; ▸ we performed a test of detail on profit-and-loss related journal entries, corroborating these entries with supporting evidence to ensure their validity; ▸ where segregation of duties within the purchase-to-pay process was not ensured, we performed either a can-do-did-do analysis to test transactions or data analytics testing on outgoing payments using pre-defined risk-based criteria to identify unusual or potentially fraudulent transactions; ▸ we performed substantive procedures on petty cash transactions in jurisdictions where petty cash disbursements occur; ▸ we remained alert for indications of fraud throughout all other audit procedures and evaluated whether any identified findings or misstatements were indicative of fraudulent activity. Based on our audit procedures performed, we did not identify any specific indications or suspicions of fraud relating to overstating expenses or payments to non-existent creditors, which could result in material misstatements.

Our key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the Board of Directors and audit committee. The key audit matters are not a comprehensive reflection of all matters discussed.

REVENUE RECOGNITION	
Description:	For the year ended 31 December 2025, the Group recognised revenue amounting to € 90.3 million from contracts with customers, relating to sales of goods, services, and leasing, as disclosed in Note 6 of the financial statements. Revenue is a key performance indicator for the Group, and its significance as the largest item in the financial statements makes it a critical area of focus. Additionally, the Group conducts a high volume of transactions with several major customers, which increases the complexity to revenue recognition and its associated risks. We identified the existence of revenues as a significant risk, with a particular focus on the risk of overstatement due to premature revenue recognition or fictitious revenues. Such risks may arise from management override of controls to meet market expectations or shareholders' targets. As outlined in the section 'Audit approach fraud risks' of this report, our audit focused on specific fraud risks related to revenue recognition, including the cut-off of revenue, the validity of sales invoices, the recognition of revenue in the correct accounting period, and the risk of inappropriate manual journal entries.
Our audit approach:	Our audit procedures to address the risk of fraud in revenue recognition included, but were not limited to, the following: ▶ we evaluated the Group's revenue recognition policies for all material streams of revenue, including significant customer and lease contracts, to ensure compliance with IFRS 15 Revenue from Contracts with Customers and IFRS 16 Leases; ▶ we reviewed management's stand-alone-selling price assessment to verify whether the discount has appropriately been allocated between the performance obligation in time and overtime; ▶ we assessed the design and implementation of the Group's internal control measures related to revenue recognition to identify any potential weaknesses or risks; ▶ we performed detailed substantive testing of revenue by vouching a sample of sales invoices to supporting documentation, such as records of goods dispatched or services rendered and authorized sales contracts; ▶ we conducted detailed substantive testing of lease revenue by vouching a sample of lease invoices to supporting records and authorized lease contracts; ▶ we verified the existence of outstanding accounts receivable as at year-end through customer confirmations and subsequent cash collection testing;

	▸ we reviewed credit notes issued during the year and subsequent to year-end. Additionally, we performed cut-off testing and periodicity analysis to ensure revenue transactions were recorded in the correct reporting period; ▸ we performed specific procedures on manual journal entries, including the assessment of trade debtor write-offs other than cash receipts, to identify any unusual or inappropriate adjustments; ▸ we assessed the adequacy and completeness of the disclosures in the financial statements relating to revenues, as outlined in Note 6. Based on the audit procedures performed, we have not identified any material findings.

COMPLIANCE WITH ANTI-BRIBERY AND CORRUPTION LAWS AND REGULATIONS	
Description:	The Company is required to comply with anti-bribery and corruption laws and regulations. Non-compliance with these regulations could result in significant fines, penalties, or reputational damage. The Board of Directors has emphasized the importance of compliance in the paragraph ‘Corruption and bribery’ within the section ‘Risks & Uncertainties’ as part of the Governance Report on page 59 of the annual report. This area is of particular importance in our audit due to the inherent fraud risks associated with non-compliance, especially in group companies operating in countries with a low Corruption Perceptions Index (CPI) or in jurisdictions where specific anti-bribery and corruption laws apply. Additionally, group companies with contracts involving government entities or government-related companies pose a heightened risk. Given the potential financial and reputational implications, combined with the inherent complexity of ensuring compliance across diverse jurisdictions, we have identified compliance with anti-bribery and corruption laws and regulations as a key audit matter.
Our audit approach:	Our audit procedures to address the risks associated with compliance with anti-bribery and corruption laws and regulations included, but were not limited to, the following: ▸ Recognizing that a formal policy regarding bribery and corruption is not yet available, we conducted discussions with the Board of Directors of Envipco Holding N.V. to assess any known or suspected instances of fraud due to corruption, as well as indications of potential non-compliance with anti-bribery and corruption laws; ▸ we reviewed compliance-questionnaires completed by group management and local management for any findings in relation to non-compliance; ▸ we evaluated the design and implementation of the Group’s internal control framework over compliance risks. This included reviewing Envipco’s risk assessment processes, policies (e.g., the Code of Conduct and whistleblower policies), and governance measures;

	- we performed additional integrity checks on selected customers of group companies operating in countries with a low Corruption Perceptions Index (CPI) to assess potential risks; - we obtained an understanding of the process for initiating contracts by conducting inquiries with the Board of Directors and relevant management; - we tested the appropriateness and reasonableness of expenses related to specific contracts and their counterparties, ensuring they were consistent with contractual terms and free from indicators of non-compliance; - we tested journal entries meeting predefined risk-based criteria, including manual entries related to expenses, to identify any unusual or potentially fraudulent transactions; - we performed data analytics on outgoing payments using pre-defined risk-based criteria to identify any unusual payment patterns or transactions indicative of fraud or non-compliance; - throughout our audit, we remained alert for indications of fraud or corruption as well as potential non-compliance with anti-bribery and corruption laws. Where identified, we evaluated whether findings or misstatements were indicative of fraud or non-compliance. Based on the audit procedures performed, we have not identified any material findings.

MATURING CONTROL ENVIRONMENT	
Description:	Envipco's control environment continued to develop during 2025, reflecting the Group's growth, increasing operational complexity and further internationalisation. During the year, management continued to take steps to formalise and strengthen the risk management and internal control framework, including further development of the internal audit function, the execution of a group-wide risk assessment and the initiation of improvement measures in the financial reporting process. At the same time, the control environment remained in development and had not yet reached the level of maturity and consistency required to fully support the Group's current scale, international footprint and listed-company reporting requirements. This was particularly evident in the financial reporting close, consolidation and external reporting process. During our audit, we identified deficiencies in the design, formalisation and operation of internal controls relevant to financial reporting. These deficiencies primarily related to the formalisation of the record-to-report and consolidation processes, the documentation of (manual) journal entries, review controls over local and group reporting, significant accounting assessments and disclosures in the annual reporting process. The impact of these deficiencies was also reflected in the nature and volume of audit differences identified during the audit and the level of follow-up required. Although the uncorrected misstatements were not

	material, individually or in aggregate, the identified deficiencies indicated that the control framework did not yet consistently prevent or detect misstatements on a timely basis. As a result, our audit required additional follow-up and substantive audit procedures. Given the importance of an effective control environment for reliable financial reporting, and the extent of audit effort required in response to the identified deficiencies, we identified the developing control environment as a key audit matter.
Our audit approach:	We obtained an understanding of Envipco's control environment relevant to the preparation of the financial statements, with specific focus on the financial reporting close, consolidation and external reporting process. We evaluated the design and implementation of selected controls over key elements of the record-to-report process, including local reporting submissions, reconciliation between local trial balances, reporting packages and group consolidation, manual and consolidation adjustments, intercompany eliminations, significant accounting assessments, disclosures and the preparation and review of the annual report. We also involved IT specialists to assess relevant IT general controls for systems relevant to financial reporting. Where controls were not sufficiently formalised, evidenced or embedded, we adapted our audit approach by performing additional substantive audit procedures. These procedures included detailed testing of selected manual and consolidation adjustments, reconciliation differences, intercompany eliminations, significant accounting assessments, financial statement disclosures and late adjustments processed during the audit. We evaluated the audit differences identified during the audit, including both corrected and uncorrected misstatements, and considered whether their nature and volume affected our audit strategy, our assessment of the risk of material misstatement, and our conclusion as to whether the financial statements as a whole are free from material misstatement. We discussed the identified deficiencies with management and the Board of Directors, including management's plans to further strengthen the financial reporting close, consolidation and external reporting process. We also considered the relevant disclosures included by the Board of Directors in the section 'Evaluation of the risk management system (VOR Statement)' regarding risk management and internal control systems. Based on our audit work, we assessed whether these disclosures were consistent with our understanding of the maturity of the control environment, the identified areas for improvement and management's plans to further strengthen the financial reporting and consolidation process. We also considered these matters in determining the nature and extent of our audit procedures and in forming our audit opinion.

Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:
- report of the Board of Directors;
- remuneration report;
- other information as required by Part 9 of Book 2 of the Dutch Civil Code;
- other chapters, including:
  - 2025 at a glance;
  - About Envipco;
  - Chairman's Statement;
  - Financials and operational developments;
  - Sustainability and EU taxonomy;
  - Board of directors;
  - Executive management team;
  - Board operations & governance
  - Corporate governance code;
  - Risks & uncertainties;
  - Board's responsibility statement.

Based on the following procedures performed, we conclude that the other information:
- is consistent with the financial statements and does not contain material misstatements;
- contains all the information regarding the management report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code as well as the information as required by Sections 2:135b and 2:145 sub-Section 2 of the Dutch Civil Code for the remuneration report.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 and Section 2:135b sub-Section 7 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The Board of Directors is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information as required by Part 9 of Book 2 of the Dutch Civil Code. The Board of Directors is also responsible for the preparation of the remuneration report in accordance with Sections 2:135b and 2:145 sub-Section 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements and ESEF

Engagement

We were engaged by the Board of Directors as auditor of Envipco Holding N.V. on 29 August 2025, as of the audit for the year 2025 and have operated as statutory auditor ever since that financial year.

No prohibited non-audit services
We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

European Single Electronic Format (ESEF)
Envipco Holding N.V. has prepared its annual report in ESEF. The requirements for this are set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion, the annual report prepared in XHTML-format, including the (partly) marked-up consolidated financial statements as included in the reporting package by Envipco Holding N.V., complies in all material respects with the RTS on ESEF.

Management is responsible for preparing the annual report including the financial statements in accordance with the RTS on ESEF, whereby management combines the various components into one single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the annual report in this reporting package complies with the RTS on ESEF.

We performed our examination in accordance with Dutch law, including Dutch Standard 3950N 'Assurance-opdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument' (assurance engagements relating to compliance with criteria for digital reporting).

Our examination included among others:
- obtaining an understanding of the entity's financial reporting process, including the preparation of the reporting package;
- identifying and assessing the risks that the annual report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion including:
  - obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance document and the XBRL extension taxonomy files have been prepared in accordance with the technical specifications as included in the RTS on ESEF;
  - examining the information related to the consolidated financial statements in the reporting package to determine whether all required mark-ups have been applied and whether these are in accordance with the RTS on ESEF.

Description of responsibilities regarding the financial statements

Responsibilities of the Board of Directors for the financial statements
The board of directors is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the board of directors is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the Board of Directors is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the Board of Directors should prepare the financial statements using the going concern basis of accounting, unless the Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The audit committee of the Board of Directors is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material misstatements, whether due to fraud or error, during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
- concluding on the appropriateness of the Board of Directors use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are responsible for planning and performing the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements. We are also responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We bear the full responsibility for the auditor's report.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit. In this respect we also submit an additional report to the audit committee in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor’s report.

We provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Amstelveen, 11 July 2026

For and on behalf of BDO Audit & Assurance B.V.,

sgd.
A.P. van Veen RA

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