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SECOND HALF 2021 & FULL YEAR 2021 RESULTS

Further acceleration of strategic transition to Water-as-a-Service (WaaS) business model

Tielt (Belgium), 28 March 2022 – 08:00 a.m. CEST – Today, Ekopak (EKOP:xbru, an ESG company that markets decentralised, circular water solutions, publishes the results for the periods of 6 and 12 months ended 31 December 2021.

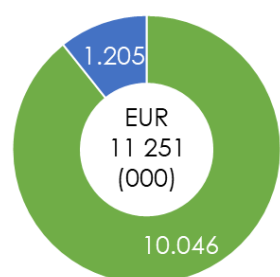
Highlights 2021

- Successful Initial Public Offering (31 March 2021) yields EUR 56.6 million gross proceeds, enabling Ekopak to fund its growth strategy
- An impressive 159% increase in WaaS business revenue, underscoring the key strategy to strengthen the WaaS pipeline as the basis for growth in recurring annual revenue, earnings and cash flows
 - Optimizing the Product Mix: WaaS business represents 11% of Revenue but contributes 48% to the EBITDA for both business segments in 2021. EBITDA-margin for WaaS business segment at an attractive 70% level.
 - The signed WaaS contracts as at 31 December 2021 represent an undiscounted Total Contracted Value of EUR 28.6 million (billable over the period 2020-2034). This is an increase of 61% compared to 31 December 2020, which illustrates the impressive growth potential of the WaaS segment.
- EBITDA of combined WaaS/non-WaaS business represents 15.5% margin on EUR 11.3 million Revenue. One-off expenses of EUR 0.6 million and corporate costs lead to an Operating Result of EUR -0.6 million and a Net Result of EUR -0.7 million.
- Acquisition of iSERV (23 April 2021), integrated as the Water Treatment service provider for both Ekopak's non-WaaS customers and its WaaS operations.
- Geographic expansion: Revenue in non-Belux region grows 87% and represents 12% of total Revenue in 2021.
- Promising start of 2022, with partaking in *Waterkracht* joint venture to recycle Antwerp waste water for reuse as cooling water for Port of Antwerp companies.

Management Report – Executive Summary

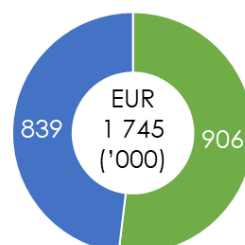
In 000 €	1st Half 2021			2nd Half 2021			Full Year 2021			As a % of revenue	
	1st Half 2021	1st Half 2020	1H2021/1H2020	2nd Half 2021	2nd Half 2020	2H2021/2H2020	Full Year 2021	Full Year 2020	FY2021/FY2020	FY2021	FY2020
Revenue											
WaaS segment	281	224	25%	924	241	283%	1.205	465	159%		
non-WaaS segment	4.207	5.124	-18%	5.839	3.890	50%	10.046	9.014	11%		
<i>Total segments</i>	4.488	5.348	-16%	6.763	4.131	64%	11.251	9.479	19%		
EBITDA											
WaaS segment	199	157	27%	640	156	310%	839	313	168%	69,6%	67,3%
non-WaaS segment	502	218	130%	404	119	239%	906	337	169%	9,0%	3,7%
<i>Total segments</i>	701	375	87%	1.044	275	280%	1.745	650	168%	15,5%	6,9%

Revenue FY2021



■ non-WaaS ■ WaaS

EBITDA FY2021
(WaaS and non-WaaS segments)



■ non-WaaS ■ WaaS

The CEO's perspective

Pieter Loose, CEO Ekopak, comments: "While I considered the 25% increase in WaaS-business revenue in the first six months of 2021 impressive, the WaaS business shifted into an even higher gear in the second half of 2021. It is encouraging to note that the tremendous revenue growth rate (+159%) did not have any negative impact on the EBITDA-margin, which remains slightly above the margin applied in our business plan. This performance reflects the sound fundamentals for the WaaS model and reconfirms our strategy to steadily increase our focus on the WaaS business.

Along with the tremendous success of the WaaS business model, we managed to achieve a 11% revenue growth for our non-WaaS business as well, while generating a more than satisfactory 9% EBITDA-margin.

The great performance in both segments reflect the attractive opportunities of the market for decentralized water supply – whether WaaS or non-WaaS. It is very rewarding to achieve these business results while integrating sustainability into our operations, thus also enabling companies to transform themselves from water users to water producers.

In parallel, Ekopak initiated its geographic expansion plan with the creation of its first foreign subsidiary – a pilot project for a more comprehensive mid-term plan.

Fully aware of the challenge to adequately manage the numerous business opportunities that present themselves, we have also strengthened our organisational structure, systems and procedures in 2021.

I wish to thank all stakeholders who have contributed to this great achievement, and even more in particular the entire Ekopak team, which is characterized by its expertise and winning spirit. We have been able to extend our top form of 2021 into 2022, as already illustrated by the promising project in the Port of Antwerp. I look forward to the future with confidence and ambition”.

EUR 56.6 million IPO proceeds to fund growth strategy and to roll out WaaS

On 31 March, 2021 Ekopak has successfully completed the private placement of over 3.6 million new shares, complemented by issuing over 473 thousand new shares in the Over-Allotment Option on 8 April 2021 – resulting in a combined yield of EUR 56.6 million proceeds (Also see Note 16 of the IFRS Interim Condensed Consolidated Financial Statements). These funds will be appropriated to support Ekopak's strategic growth objectives and the roll-out of its WaaS business, to fund working capital requirements for its non-WaaS solutions, and to pursuit potential M&A opportunities (Prospectus, 6.5).

Strategic rebalancing between non-WaaS and WaaS businesses

A key strategy for Ekopak is to roll out the WaaS business, thus rebalancing the revenue mix between Ekopak's traditional non-WaaS business and the recently launched WaaS business. In the mid-term Ekopak aims to grow WaaS business to a point where it represents half of Ekopak's revenue business.

The **WaaS business model** combines Ekopak's design, build, finance, operation and maintenance services in a “one stop shop” end-to-end solution with “pay by the drop” pricing. Each WaaS agreement generates revenues in the form of a contractually agreed minimum monthly fee (based on a minimum order quantity of m³ water) over the term of the contract, as from the first m³ of water supplied. Ekopak aims for an initial contract term of 10 years, with fixed €/m³ prices. Inherent to the WaaS business model is the fact that operating income is spread over the total lifetime (target: 10 years) of each agreement. Whereas a comparable non-WaaS contract largely results in a one-off revenue, a typical 10 year WaaS-contract secures 120 monthly revenues. As such, the WaaS business generates a lower revenue level at the time that the water purification installation becomes operational, but this is secured¹ for the entire duration of the contract. Moreover, the WaaS business generates EBITDA-margins of at least 67%.

In the **non-WaaS business model**, Ekopak focuses on designing and building water purification installations at the customer's premises, with the options to also cover the related service once the installation becomes operational. In this business model, the

main part of the revenue recognition consists of the sales of the water purification installations to the customer, complemented by consultancy services, after-sales services and consumables supplies. The non-WaaS business is characterised by high operating income levels (inherent to the sale of these investment goods), combined with single to low-double digit EBITDA-margins, depending on the mix between sales of consultancy services, investment goods, consumables,...

WaaS business shifted into higher gear

While Ekopak's WaaS business revenue already witnessed a remarkable growth in the first six months of 2021, it more than tripled in the second half of 2021: from EUR 0.3 million in 1H2021 to EUR 0.9 million in 2H2021. This results in a revenue of EUR 1.2 million for the full year – i.e. a 159% growth compared to 2020.

The signed WaaS contracts as at 31 December 2021 represent an undiscounted Total Contracted Value of EUR 28.6 million (billable over the period 2020-2034). This compares to an amount of EUR 17.8 million as at 31 December 2020 (billable over the period 2020-2031). The 61% increase demonstrates the success of the strategic transition to the WaaS business model.

The evolution of the EBITDA from the WaaS business kept pace with the revenue growth acceleration from 1H2021 to 2H2021, resulting in EUR 0.8 million for the full year 2021 and representing a solid 70% margin on revenue, i.e. above the 67% margin applied in our business plan.

Solid non-WaaS business performance

The 18% decrease of the revenue from Ekopak's non-WaaS business in the first half of 2021 has been more than offset by the impressive 50% revenue growth in the second half – thus resulting in a 11% growth for the full year 2021. This implies that Ekopak's strategic transition from non-WaaS to WaaS can involve business growth in both segments at the same time.

The EBITDA of EUR 0.9 million for the non-WaaS business over the full year 2021 represents a margin of 9% of the corresponding revenue: a solid performance!

The future perspective for Ekopak's non-WaaS business is illustrated amongst others by the contract with Vynova, for which the revenue is expected to be entirely recognized in the financial statements by the fourth quarter of 2022, i.e. upon completion of the water treatment installation at the site in Tessenderlo, Belgium. Vynova is an international chemical company active in the production of PVC and chlor-alkali products, which are used, among others, in the construction, medical, food and pharmaceutical industries.

Geographic expansion: open the gate

Along with the strategic transition from the non-WaaS to WaaS business model, Ekopak has also initiated its geographic expansion strategy. In August 2021, Ekopak created its first ever foreign subsidiary, Ekopak France, and opened branches in Rouen and Lyon. From this base, Ekopak can maximally benefit from business opportunities in the major French water treatment market, the first market abroad that will now be intensively explored by the company. The creation of Ekopak France is the first step in a more comprehensive mid-term plan. Revenue beyond Ekopak's traditional home markets Belgium and Luxembourg, grew 87% and represents 12% of total Revenue in 2021.

Expenses in preparation of future growth

As already indicated at the publication of the results for the first half of 2021, a significant part of the IPO-related costs (EUR 0.6 million) are recognised under IFRS in the Profit & Loss statement.

In addition, Ekopak has spent EUR 0.8 million for setting-up adequate systems and procedures, anticipating the continued future growth of the group as well as reflecting Ekopak's commitment to live up to its sustainability strategy by initiating the implementation of the standards of the Global Reporting Initiative.

This has resulted in an EBITDA for the Corporate segment of EUR -1.4 million.

For the full year 2021, operating income for 2021 is EUR -0.6 million and the net result amounts to EUR -0.7 million.

Balance sheet situation illustrates careful management of resources

The proceeds of the successful IPO lead to a significant strengthening of Equity on the balance sheet at 31 December 2021. Equity represents EUR 58.6 million on a balance sheet total of EUR 67.4 million. The appropriation of Equity is carefully considered, as indicated by the fact that between 30 June 2021 and 31 December 2021 Equity has only slightly evolved from EUR 59.1 million to EUR 58.6 million.

Total liabilities at 31 December 2021 amount to EUR 8.8 million versus EUR 6.9 million at 31 December 2020. This increase is mainly related to Trade, tax and other payables, reflecting the growth of Ekopak's business.

The growing business is also reflected in the evolution of the Assets. The EUR 4.3 million increase of the amount for Property, plant and equipment (between 30 June and 31 December 2021) mainly refers to water treatment installations for the WaaS operations (EUR 3.7 million). The increase of the business size of Ekopak also involves an increase of the amounts for Inventories and Trade receivables.

Cash and cash equivalents and other current assets evolved from EUR 50.0 million at 30 June 2021 to EUR 43.4 million at 31 December 2021. In addition to the costs associated

with the IPO, the acquisition of iServ also led to a reduction in the cash position. Moreover, several installations for WaaS-projects have been paid in cash in 2021, although a sale-and-lease-back approach for large WaaS project still remains under review for the future. Again, this illustrates that Ekopak's cash resources are well managed.

Significant events after balance sheet date

On 27 January 2022, Ekopak announced that it has signed a Memorandum of Understanding with *PMV* and *water-link* to set up a joint venture, that will convert the treated waste water from Antwerp households into cooling water for companies in the Port of Antwerp by 2025. The joint venture, in which Ekopak will have a 51% stake, is named *Waterkracht* ('water power') and is a leading example of public-private partnership. If all goes according to plan, 20 billion litres of water will be recycled each year as of 2025. Thanks to the contribution of this project – in addition to the existing signed WaaS contracts and taking into account the interest already shown by potential customers - about 60% of the mid-term target of EUR 25 million of Revenue for the WaaS-segment can already be secured.

On 4 February 2022, Ekopak announced its plans to construct a new building, comprising an office building and a factory workshop, on a plot of approximately 2.1 hectares on an industrial zone in Deinze, Belgium. The current Ekopak head offices in Tielt, the office in Ghent and the warehouse in Roeselare will be integrated into this new site, which is conceived as a sustainable building and will meet environmental specifications that go beyond those legally required. Ekopak anticipates to move into the new €18 million premises in the spring of 2024.

Business Outlook 2022

The proceeds from the IPO are managed with consideration and enable Ekopak to further fund its growth strategy. In 2022 Ekopak will definitely continue to put these resources to work in order to create shareholder value.

Since revenue from WaaS contracts is only recognised as of the moment that the installation becomes operational, a substantial part of WaaS contracts signed in 2021 is not yet included in the FY2021 figures. On an annualised basis (i.e. assuming that contracts are operational for 12 months), the signed WaaS contracts as at 31 December 2021 represent a secured¹ annual turnover of over EUR 2.8 million in 2022. This excludes the potential uplift revenue that comes on top of the minimum

¹ In general, there are contractually agreed minimum monthly fees over the term of the contract, but, generally, the agreement also stipulates the conditions upon which a contract can be terminated

contracted annual revenue of the existing contracts as well as the revenue from new WaaS contracts that will be concluded in 2022.

The accelerated market acceptance of the innovative WaaS concept leads to a solid triple digit growth forecast for this segment in 2022.

Based on the encouraging performance of the non-WaaS segment in the second half of 2021, Ekopak aims for a double digit revenue growth for this segment in 2022.

Ekopak is also very ambitious for its 2022 business in France. The French subsidiary that was created in August 2021 is gaining traction and has already convinced a number of high-end customers of Ekopak's solutions, which is very encouraging for the future.

It goes without saying that possible shifts from new customers between WaaS and non-WaaS could impact the forecasted figures for the rebalanced revenue mix WaaS/non-WaaS for 2022 and thus also for the group's total revenue and profitability. While Ekopak has not identified an immediate impact on its business from the current turbulent political and economic environment, these factors too, further complicate a more precisely calculated growth forecast that indicated above.

Ekopak has made a strong start in 2022 and feels confident that this momentum will continue. The company has the necessary resources at its disposal, has mapped out the right strategy, has tapped into the major French market and, above all, can rely on the WaaS business model that has conclusively demonstrated its value in 2021.

About Ekopak

Ekopak is an Environmental, Social and Governance (ESG)-driven company that offers solutions for decentralized water supply. The company's solutions enable industrial customers to reduce their water consumption, in a sustainable, reliable and cost-effective manner. Ekopak also enables customers to disconnect from the regular water network and start a circular water use. Ekopak focuses on optimizing customer water use through containerized water purification units that transform off-grid water sources such as rain-, surface- and/or wastewater into cleaner water that can be used and reused in the customer's industrial processes. By allowing water to be cleaned and reused, Ekopak's systems turn water consumers into water producers.

Ekopak is headquartered in Tiel, Belgium, and has operations in Belgium, Luxemburg, the Netherlands, France, the United Kingdom and a number of other countries.

The Ekopak shares are listed on Euronext Brussels (ticker EKOP).

More information on Ekopak: www.ekopaksustainablewater.com

Management certification

This statement is made in order to comply with the European transparency regulation enforced by the Belgian Royal Decree of November 14, 2007 and in effect as of 2008.

“The Board of Directors of Ekopak NV, represented by the management companies² of Mr. Pieter Bourgeois, Chairman of the Board of Directors, Mr. Pieter Loose, CEO, and Mrs. Els De Keukelaere, CFO, jointly certify that, to the best of their knowledge, the consolidated financial statements included in the report and based on the relevant accounting standards, fairly present in all material respects the financial condition and results of Ekopak NV, including its consolidated subsidiaries. Based on our knowledge, the report includes all information that is required to be included in such document and does not omit to state all necessary material facts.”

Auditor's report

The statutory auditor, PwC Bedrijfsrevisoren BV / Reviseurs d'Entreprises SRL, represented by Peter Opsomer, has confirmed that the audit, which is substantially complete, has not to date revealed any material misstatement in the draft consolidated accounts, and that the accounting data reported in the press release is consistent, in all material respects, with the draft accounts from which it has been derived.

Disclaimer

This press release may contain forward-looking statements. Such statements reflect the current views of management regarding future events, and involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Ekopak is providing the information in this press release as of this date and does not undertake any obligation to update any forward-looking statements contained in this press release in light of new information, future events or otherwise. Ekopak disclaims any liability for statements made or published by third parties and does not undertake any obligation to correct inaccurate data, information, conclusions or opinions published by third parties in relation to this or any other press release issued by Ekopak.

² Mr. Pieter Bourgeois is permanent representative of Crescemus BV; Mr. Pieter Loose is permanent representative of Pilo van BV and Mrs. Els De Keukelaere is permanent representative of EDK Management BV.

IFRS Consolidated Financial Statements

Consolidated statement of profit or loss	9
Consolidated statement of comprehensive income	10
Consolidated statement of financial position	11
Consolidated statement of changes in equity	13
Consolidated statement of cash flows	14
Consolidated operating segments.....	16

Consolidated statement of profit or loss

in 000€	for the year ending December 31	
	2021	2020
Revenue	11 251	9 479
Other operating income	310	302
Operating income	11 561	9 781
Purchases of materials	-5 243	-6 394
Services and other goods	-3 167	-1 006
Employee benefit expense	-2 777	-1 580
Depreciation charges	-953	-623
Other operating charges	-32	-151
Operating profit / (loss)	-611	27
Financial expenses	-166	-149
Financial income	29	4
Loss before taxes	-748	-118
Income taxes	48	25
Net loss for the year *	-700	-93
Earnings per share attributable to the owners of the parent		
Basic	-0.05	-0.01
Diluted	-0.05	-0.01

* The net (loss)/profit for the year is full attributable to the owners of the parent

Consolidated statement of comprehensive income

in 000€	for the year ending December 31	
	2021	2020
Net loss for the year	-700	-93
Other comprehensive loss		
<i>Items that will not be reclassified to profit or loss</i>		
Remeasurements of post-employment benefit obligations, net of tax	-157	-11
Other comprehensive loss, net of tax	-157	-11
Total comprehensive loss for the year, net of tax *	-857	-104

* The total comprehensive (loss)/income for the year is full attributable to the owners of the parent

Consolidated statement of financial position

in 000€	At December 31	
	2021	2020
Assets		
Non-current assets		
Goodwill	1.035	-
Intangible assets	245	90
Property, plant and equipment	14 842	4 948
Deferred tax assets	1 023	142
Other financial assets	16	1
Total non-current assets	17 161	5 181
Current assets		
Contract assets	1 733	562
Inventories	2 152	1 057
Trade receivables	2 981	3 299
Other current assets	1 296	488
Cash and cash equivalents	42 100	1 300
Total current assets	50 262	6 706
Total assets	67 423	11 887

in 000€	At December 31	
	2021	2020
Equity		
Share capital	6 671	-
Share premium	55 116	-
Restricted reserve - share capital	-	5 162
Other reserves	-2 345	12
Accumulated (loss)/profit	-859	-159
Equity attributable to the owners of the parent	58 583	5 015
Total equity	58 583	5 015
Liabilities		
Non-current liabilities		
Borrowings	2 232	2 625
Lease liabilities	393	326
Deferred tax liabilities	19	-
Provisions	542	400
Total non-current liabilities	3 186	3 351
Current liabilities		
Borrowings	522	473
Lease liabilities	282	236
Trade and other payables	3 828	2 449
Tax payables	963	328
Contract liabilities	-	-
Other current liabilities	59	35
Total current liabilities	5 654	3 521
Total liabilities	8 840	6 872
Total equity and liabilities	67 423	11 887

Consolidated statement of changes in equity

in 000€	Share capital	Share premium	Restricted reserve - share capital	Other reserves	Accumulated (loss)/profit	Total equity attributable to the owners of the parent	Total equity
At January 1, 2020	-	-	5 162	23	234	5 419	5 419
Net profit	-	-	-	-	-93	-93	-93
Other comprehensive loss	-	-	-	-11	-	-11	-11
Total comprehensive (loss)/profit	-	-	-	-11	-93	-104	-104
Dividends paid	-	-	-	-	-300	-300	-300
At December 31, 2020	-	-	5 162	12	-159	5 015	5 015

in 000€	Share capital	Share premium	Restricted reserve - share capital	Other reserves	Accumulated (loss)/profit	Total equity attributable to the owners of the parent	Total equity
At January 1, 2021	-	-	5 162	12	-159	5 015	5 015
Net loss	-	-	-	-	-700	-700	-700
Other comprehensive loss	-	-	-	-157	-	-157	-157
Total comprehensive loss	-	-	-	-157	-700	-857	-857
Capital increase	1 820	54 805	-	-	-	56 625	56 625
Share issue costs net of tax	-	-	-	-2 259	-	-2 259	-2 259
Share based payment expense	-	-	-	59	-	59	59
Transfers within equity	4 851	311	-5 162	-	-	-	-
At December 31, 2021	6 671	55 116	-	-2 345	-859	58 583	58 583

Consolidated statement of cash flows

in 000€	For year ending December 31	
	2021	2020
Operating activities		
Net (loss)/profit	-700	-93
<i>Non-cash and operational adjustments</i>		
Depreciation of property, plant & equipment and ROU assets	875	593
Amortization of intangible assets	78	29
Gain/(loss) on disposal of property, plant & equipment	24	-2
Increase in provisions	-68	74
Impairments on receivables	39	12
Interest and other finance income	-29	-4
Interest and other finance expense	166	149
Deferred tax expense	-58	-30
Tax expense	10	5
Equity settled share based payment expense	60	0
IFRS 16 - gain on early termination of lease	-13	-4
Net cash flow (used in)/from operating activities before working capital movements	384	729
<i>Movements in working capital</i>		
Decrease/(Increase) in trade and other receivables	-448	1
Increase in inventories	-893	-99
(decrease)/increase in trade and other payables	1 652	-990
Use of provisions	0	-85
Increase in contract assets	-1 033	-4
Increase/(decrease) in cash guarantees	-15	0
Increase/(decrease) in deferred revenue	103	0
Income tax received/(paid)	-44	30
Interests paid	-121	-122
Interests received	1	1
Net cash flow (used in)/from operating activities	-414	-539
Investing activities		
Purchase of property, plant and equipment	-10 220	-1 221
Purchase of intangible assets	-150	-73
Proceeds from the sale of property, plant and equipment	41	5
Acquisition of subsidiary, less the acquired cash	-1 063	0
Net cash flow used in investing activities	-11 392	-1 289

Financing activities		
Proceeds from borrowings	143	700
Repayment of borrowings	-842	-1 316
Repayment of leases	-290	-167
Receipts from capital increase	56 625	0
Share issue costs	-3 013	-3
Dividends paid	0	-300
Other financial expense, net	-17	-23
Net cash flow (used in)/from financing activities	52 606	-1 109
Net cash flow	40 800	-2 937
Cash and cash equivalents at beginning of year	1 300	4 237
Cash & cash equivalents at end of year	42 100	1 300

Consolidated operating segments

in 000€	NON-WAAS	WAAS	TOTAL SEGMENTS	CORP-ORATE	TOTAL CONSO-LIDATED
Revenue	10 046	1 205	11 251	-	11 251
Other operating income	310	-	310	-	310
Purchases of materials	-5 082	-161	-5 243	-	-5 243
Services and other goods	-1 751	-42	-1 793	-1 374	-3 167
Employee benefit expense	-2 588	-160	-2 748	-29	-2 777
Other operating charges, net, without expenses from claims	-100	-3	-104	0	-104
Adjusted EBITDA	834	839	1 673	-1 403	270
Expenses from claims	72	-	72	-	72
EBITDA	906	839	1 745	-1 403	342
Depreciation charges	-667	-286	-953	-	-953
Operating profit / (loss)	239	553	792	-1 403	-611
Financial expenses	-	-	-	-166	-166
Financial income	-	-	-	29	29
Profit (loss) before tax	239	553	792	-1 540	-748
Segment assets	56 037	11 386	67 423	-	67 423
Segment liabilities	7 735	1 105	8 840	-	8 840

The column 'Corporate' included in the line item 'Services and other goods' relate to group charges amounting to KEUR 437 and IPO related costs including professional fees amounting to KEUR 572 and management fees amounting to KEUR 13. The group charges were as per interim financial statements still included in the segment profit for an amount of KEUR 133. The group will restate the segment reporting in the interim financial statements of 2022 for the comparative period.