Publication

First half 2022 Results

Ekopak

Ekopak Sustainable Water

Together towards a sustainable future.

This announcement contains inside information for the purposes of
Article 7 of the Market Abuse Regulation (EU) No 596/2014.

FIRST HALF 2022 RESULTS

Sustained momentum for WaaS business model and unparalleled pipeline

Pipeline growth is ahead of plan for reaching the medium term objectives

Tielt (Belgium), 19 September 2022 – 07:30 a.m. CET – Today, Ekopak (EKOP:xbru) published the results for the six-months period ended 30 June 2022.

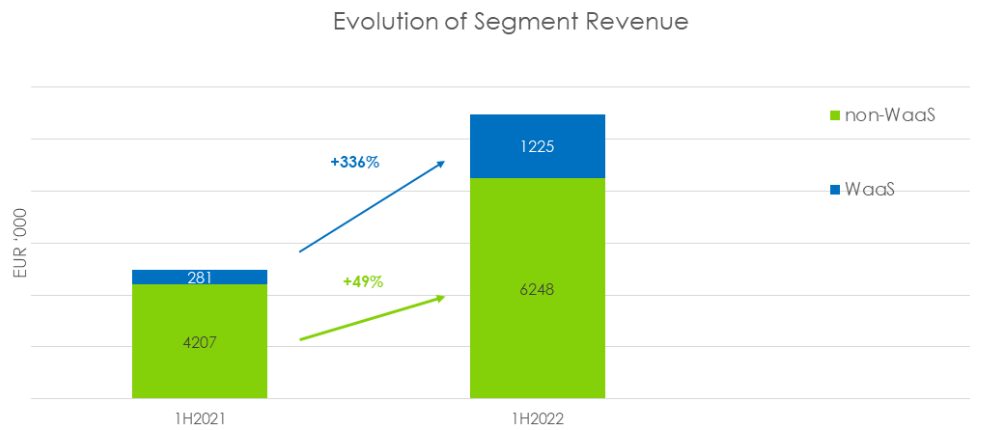
Highlights 1H2022

- Water-as-a-Service (WaaS) segment: continued acceleration of revenue growth (+336% YoY) with solid EBITDA-margin (67%).
- Non-WaaS segment: 49% YoY revenue growth confirms structural potential along the WaaS segment.
- Building a strong organisation that is capable of seizing significant business opportunities in the rapidly growing water market, as evidenced by several ongoing, advanced negotiations for major projects at home and abroad.
- Acquisition of the French company H_2O Production reinforces Ekopak's technology platform in France. H_2O Production generates annual stand-alone revenues of over EUR 2.5 million and will be included in Ekopak's consolidation circle as of September 1, 2022.

Business Outlook

- The triple digit revenue growth forecast for the WaaS segment in 2022 and double digit growth for the non-WaaS segment in 2022 are reconfirmed.
- Preparations for the Waterkracht joint venture and NextGen plant in the Antwerp Port are on track to become operational as of 2025.
- Ekopak is confident of making a significant contribution to helping solve the problem of water scarcity in the medium term.

Management Report



In EUR thousands	In 000 €		1H2022/	As a % of revenue	
	1st Half 2022	1st Half 2021	1H2021	1H2022	1H2021
Revenue					
WaaS segment	1 225	281	+ 336%		
non-WaaS segment	6 248	4 207	+ 49%		
Total	*7 473*	*4 488*	*+ 67%*		
EBITDA					
WaaS segment	822	199	+313%	67%	71%
non-WaaS segment	111	1 097	-90%	2%	26%
Corporate segment	-1 402	-1 220	+ 15%	19%	27%
Total	*-469*	*76*		-6%	2%
Excl. start-up costs new projects*	*85*	*76*	*+12%*	1%	2%

(*) Expenses directly related to new projects, including Waterkracht joint-venture, NextGen-plant Antwerp,…

The CEO's perspective

Pieter Loose, CEO Ekopak, comments: "Earlier this year I was really impressed with the 25% YoY increase of WaaS business revenue in the first six months of 2021, without any negative impact on the EBITDA-margin. I am pleased that the YoY revenue growth for our WaaS segment now reaches 336% and that the corresponding EBITDA margin remains at a solid 67%, which corresponds with the margin applied in our mid-term business plan: what a tremendous achievement of our team!

Even remarkable is the fact that the impressive growth of the WaaS business does not cannibalise the non-WaaS operations, which demonstrate a 49% YoY growth in revenue over the past period. The EBITDA-margin for this segment is temporarily impacted by the upfront development costs for new business.

The preparatory work for the Waterkracht joint venture and the NextGen water treatment plant in the Port of Antwerp opens perspectives to generate robust annual secured revenue over a period of 35 years starting in 2025. Negotiations for Waterkracht, one of the larger public-private partnership in Belgium, are now in the final stage, while TotalEnergies has already signed a long-term agreement with water-link for the supply of sustainable process water for its industrial sites in Antwerp.

The great performance in both segments reflect the attractive opportunities in the water treatment market – whether WaaS or non-WaaS. The fact that the climate change has recently become more visible and tangible has fuelled the growth of the entire market.

Ekopak is now building an organisation that can address these positive evolutions, and we carefully analyse the best appropriation of our equity and business resources.

Our strategy to enter the French market is a good example of this approach: following the creation of Ekopak France, we have now strengthened our platform in France with the acquisition of H_2O Production, which offers unparalleled synergistic opportunities.

Ekopak is one of the few players in the growing water market that can address the needs of each type of company. Through its recently acquired subsidiary H_2O Production, Ekopak offers tailor-made solutions to SMEs, while our non-Waas or WaaS-installations enable major industrial players to install a circular water supply chain. With the Waterkracht- and NextGen-initiatives, Ekopak can even supply sustainable process water to companies that have no or insufficient waste water for recycling.

It is very rewarding to build our business while integrating sustainability into our operations, thus also enabling companies to transform themselves from water users into water producers. I am confident that, in the medium term, we can make a significant contribution to helping solve water scarcity problems, while also achieving our financial targets."

WaaS segment: 336% YoY (1H2022/1H2021) revenue growth, with 67% EBITDA-margin

Ekopak's WaaS business witnessed another record period in the first half of 2022. Segment revenue more than tripled in comparison with the first half of 2021 and now reaches EUR 1.2 million. The YoY revenue growth of 336% compares to a YoY revenue growth of 25% in the first half of 2021 in comparison with the first half of 2020.

WaaS revenue now represents 16% of total revenue in 1H2022, compared to 6% in 1H2021.

Since revenue from WaaS contracts is only recognised as of the moment that the installation becomes operational, a substantial part is not yet included in the 1H2022 figures. The currently signed WaaS contracts represent a secured[1] annual[2] turnover of over EUR 3.2 million. This is already significantly higher at this stage, than anticipated at the time of the IPO.

The impressive growth in revenue is achieved with solid EBITDA-margin of 67%. This profitability level corresponds with the mid-term target for this segment, and illustrates the structural attractiveness of this business model.

[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

[2] assuming that contracts are operational for 12 months in a given reporting year

Non-WaaS segment: 49% YoY (1H2022/1H2021) revenue growth and promising new business pipeline

As already demonstrated in the second half of 2021, Ekopak's strategic transition from non-WaaS to WaaS can involve business growth in both segments at the same time. This is rigorously reconfirmed in the 1st half of 2022, with a solid 49% YoY revenue growth.

Waterkracht and NextGen projects already yield a very promising order book

In January 2022, Ekopak announced its collaboration with PMV and Water-Link to convert each year the waste water from Antwerp households into 20 billion litres of cooling water for companies in the Port of Antwerp by 2025. The collaboration is named **Waterkracht** ('the power of water') and is a leading example of a public-private partnership. Upon formal establishment of the joint venture, Ekopak will have a 51% share. Ekopak will build and operate a water treatment plant in the Port of Antwerp, while piping installations are the responsibility of the joint-venture partner. In August 2022, Waterkracht announced a customer agreement with TotalEnergies, involving an annual purchase of 9 billion litres of process water. There is great interest from various companies in the Port of Antwerp to join this sustainable water project, which suggests that there is a good chance that the targeted annual production volume of 20 billion litres will be exceeded.

As mentioned, Ekopak will build and operate a water treatment plant in the Port of Antwerp. In June 2022, the company announced that it will take a plot of land under concession in the NextGen District in Antwerp where it will build the plant, that is scheduled to become operational by 2025. The **NextGen plant** will serve two purposes. On the one hand, the NextGen plant will process the water from the Antwerp households, for Waterkracht. On the other hand, Ekopak also offers neighbouring companies the opportunity to start a circular water supply project with Ekopak, separately from Waterkracht.

Both projects are on track to become operational as of 2025, as of which date they will generate robust secured revenue over a thirty-five year contractual life. A more accurate indication of the revenue contribution from both projects can be provided upon conclusion of negotiations, which are now at the final stage. Significant start-up costs for these and other new business projects have already been included in these half-year figures.

Geographic expansion: priority on structural revenue growth in French market

Revenue generated **beyond the Belux home market** now represents 10% of the group's total revenue (9% for 1H2021).

In August 2021, Ekopak announced the creation of Ekopak France with the aim of further expanding into the **French market** and meeting the high demand for sustainable water installations. In the meantime, Ekopak France is moving forward at a rapid pace and its branches in Lyon and Rouen are fully operational. In the first half of 2022, Ekopak France already contributed EUR 0.4 million to the group's revenue.

On September 16, 2022, Ekopak completed the acquisition of H_2O Production, which helps to further strengthen Ekopak's business in the major French water treatment market. While revenue in other export markets is often driven by one-off opportunities, Ekopak is building a business platform in France that will drive structural revenue growth. H_2O Production is located in Pithiviers, in the French department Loiret, and brings 20 years of expertise in several technologies applied for the production of demineralised water. H_2O Production generates annual stand-alone revenues of over EUR 2.5 million and will be included in Ekopak's consolidation circle as of September 1, 2022.

H_2O Production provides production and warehousing capacity, enabling Ekopak France to strengthen its platform for the French market. Moreover, Ekopak France will also benefit from H_2O Production's commercial network, which has already led to tenders for major projects in France.. In other words, there is great synergy between Ekopak France and H_2O Production.

In addition to strengthening the business platform of Ekopak France, the expertise of H_2O Production in regenerating resins also represents a significant additional asset for the group's technologic know-how as it also has the know-how to address PFOS/PFAS contamination.

Building a strong organisation to support the company's growth

Ekopak continues to build a strong organisation that is capable of seizing great business opportunities in the **rapidly growing water market**.

As the effects of the climate change became more tangible during the dry summer of 2022, the water treatment market is evolving at a fast pace. Ekopak believes there is no time to lose for strengthening its market position, which requires a **strong organisation** that is well equipped to manage the company's mid- and long-term growth, both in revenue and profitability.

In February 2022, Ekopak announced that it has reached an agreement with Veneco and the local council of Deinze (Belgium) to construct a **new corporate building** on a plot of approx. 2.1 ha (plot no. 22) on the De Prijkels site, easily accessible along the E17 motorway. Construction is scheduled to start in 1Q2023 and commissioning is expected in the 2nd half of 2024. The Deinze site will house both corporate services, warehouses and engineering workshops space. The current Ekopak head office in Tielt, the office in Ghent and the warehouse in Roeselare will be combined at this single location, which is suitable for sustaining future growth.

Ekopak is pleased to note that the company is capable of **attracting and retaining talented people**. The total number of full-time equivalents (FTE) grew from 42.3 on 30 June 2021 to 82.3 as per 30 June 2022.

In the first half of 2022, Ekopak continues to focus on optimising its processes in various business areas. Ekopak is virtually insensitive to inflation. Being more of an engineering firm rather than an industrial company, it has very limited exposure to rising energy prices. Moreover, the energy cost of WaaS installations is borne by the customer. At the same time, Ekopak was able to **adjust sales prices** for services and consumables in line with the price increases for a number of important raw and auxiliary materials.

In addition to strengthening its internal capabilities, Ekopak is reinforcing its organisation through the acquisition of well-targeted companies as shown by the acquisition of IServe and H^20 Production.

While Ekopak has put a significant focus on its operations, the company continues to measure and monitor its own **ESG-objectives**. Since Ekopak joined the UN Global Compact initiative, enormous progress has been made in this area.

Balance sheet situation illustrates careful management of resources

On 30 June 2022, equity represents EUR 57.6 million on a balance sheet total of EUR 72.0 million. The appropriation of equity is carefully considered, as indicated by the fact that between 30 June 2021, 31 December 2021 and 30 June 2022, equity has only slightly evolved from EUR 59.1 million, over EUR 58.6 million to EUR 57.6 million

Total liabilities at 30 June 2022 amount to EUR 14.4 million versus EUR 8.8 million at 31 December 2021. This increase is mainly related to borrowings for the financing of WaaS installations, and also reflects to growing business of the company.

The growing business is also reflected in the evolution of the Assets. The EUR 2.6 million increase of the amount for Property, plant and equipment (between 31 December 2021 and 30 June 2022) mainly refers to water treatment installations for the WaaS operations. 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 49.4 million at 30 June 2021, over EUR 43.4 million at 31 December 2021, to EUR 40.6 million. This illustrates that Ekopak's cash resources are well managed.

Significant events after balance sheet date

- September 2022. **Ekopak acquires the French company H_2O Production**. The annual turnover generated by H_2O Production is over EUR 2.5 million. The acquisition is in the form of a share deal (mid-single digit million euro, and earn-outs). Closing of the deal is expected for October 2022. H_2O Production will be included in Ekopak consolidation as of 1 September 2022.
- 5 August 2022. **Waterkacht signs agreement with TotalEnergies** for the supply of 9 billion litres of process water per annum, starting 2025.

Note: the corresponding press releases are available at https://ekopaksustainablewater.com/press-news/

Business Outlook – reconfirmation of 2022 and mid-term objectives

The accelerated market acceptance of the innovative **WaaS** concept reconfirms the triple digit revenue growth forecast for this segment for the full year 2022.

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 the first half of 2022 are not yet included in the 1H2022 figures. Increase in Property, plant and equipment is a good indicator of the near-term prospects for the WaaS business. EUR 1.3 million of this increase refers to assets constructed for WaaS contracts that will generate additional revenue once the construction of the installations is finalised.

On an annualised basis (i.e. assuming that contracts are operational for 12 months), the signed WaaS contracts as at 30 June 2022 represent a secured[1] annual[2] turnover of over EUR 3.2 million. This excludes the potential uplift revenue that comes on top of the minimum contracted annual revenue of the existing contracts as well as the revenue from new WaaS contracts that will be concluded in the second half of 2022.

Based on the solid revenue performance of the **non-Waas** segment in the first half of 2022, Ekopak maintains its target for a double digit revenue growth for this segment for the full year 2022.

The strong performance of Ekopak in the first half of 2022, has since been continued, which makes Ekopak feel confident that the momentum will be further sustained. The company has the necessary resources at its disposal, has mapped out the right strategy and is preparing its organisation for the future. Revenue growth is ahead of plan for reaching the medium term objectives.

Ekopak's medium term objectives will be even pushed further by several new business projects that are already at an advanced stage and that will act as a further catalyst. Preparations for the Waterkracht joint venture and NextGen plant in the Antwerp Port are on track to become operational as of 2025. The negotiations for additional contract value are still on-going.

Financial calendar

- September 19, 2022 (from 6 p.m. to 8:00 p.m. CEST) – Capital Market event
- March 27, 2023 (8 a.m. CEST) – Publication FY2022 Results
- April 7, 2023 (8 a.m. CEST) – Publication Annual Report 2022

About Ekopak

Ekopak is an Environmental, Social and Governance (ESG)-driven off-grid water solution company. The Company's solutions allow industrial customers to reduce their water consumption, in a sustainable, reliable and cost-effective manner. 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 Tielt, 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: http://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 companies[3] 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."

[3] Mr. Pieter Bourgeois is permanent representative of Crescemus BV; Mr. Pieter Loose is permanent representative of Pilovan BV and Mrs. Els De Keukelaere is permanent representative of EDK Management BV.

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.

EKOPAK NV

IFRS Interim Condensed Consolidated Financial Statements

June 30, 2022

IFRS Interim Condensed Consolidated Financial Statements

Interim condensed consolidated statement of profit or loss

		For the six months ended 30 June	
in 000€	**Notes**	**2022**	**2021**
Revenue	5	7.473	4.488
Other operating income		177	154
Operating income		**7.650**	**4.642**
Purchases of materials	7	-3.351	-2.094
Services and other goods	7	-2.191	-1.400
Employee benefit expense	7	-2.531	-1.024
Depreciation charges		-712	-379
Other operating charges		-46	-48
Operating profit		**-1.181**	**-303**
Financial expenses		-107	-78
Financial income		26	3
(Loss)/profit before taxes		**-1.262**	**-378**
Income taxes	8	237	15
Net (loss)/profit for the year *		**-1.025**	**-363**
Earnings per share attributable to the owners of the parent			
Basic	14	-0,07	-0,03
Diluted	14	-0,07	-0,03

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

The accompanying notes on pages 10 to 24 form an integral part of these IFRS Interim Condensed Consolidated Financial Statements.

Interim condensed consolidated statement of comprehensive income

in 000€	Notes	For the six months ended 30 June 2022	2021
Net (loss)/profit for the half-year		**-1.025**	**-363**
Other comprehensive (loss)/income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations, net of tax	15	–	9
Other comprehensive (loss)/income, net of tax		**–**	**9**
Total comprehensive (loss)/income for the year, net of tax *		**-1.025**	**-354**

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

The accompanying notes on pages 10 to 24 form an integral part of these IFRS Interim Condensed Consolidated Financial Statements.

Interim condensed consolidated statement of financial position

in 000€	Notes	At June 30 2022	At December 31 2021
Assets			
Non-current assets			
Goodwill	6	1.035	1.035
Intangible assets	9	305	245
Property, plant and equipment	10	17.455	14.842
Deferred tax assets	8	1.247	1.023
Other financial assets		38	16
Total non-current assets		**20.080**	**17.161**
Current assets			
Contract assets	11	4.280	1.733
Inventories		3.560	2.152
Trade receivables	11	3.440	2.981
Other current assets	11	325	1.296
Cash and cash equivalents	12	40.285	42.100
Total current assets		**51.890**	**50.262**
Total assets		**71.970**	**67.423**

The accompanying notes on pages 10 to 24 form an integral part of these IFRS Interim Condensed Consolidated Financial Statements.

in 000€	Notes	At June 30 2022	At December 31 2021
Equity			
Share capital	13	6.671	6.671
Share premium	13	55.116	55.116
Other reserves	13	-2.327	-2.345
Accumulated (loss)/profit		-1.884	-859
Equity attributable to the owners of the parent		**57.576**	**58.583**
Total equity		**57.576**	**58.583**
Liabilities			
Non-current liabilities			
Borrowings	15	6.155	2.232
Lease liabilities		420	393
Deferred tax liabilities		–	19
Provisions	16	584	542
Total non-current liabilities		**7.159**	**3.186**
Current liabilities			
Borrowings	15	1.043	522
Lease liabilities		318	282
Trade and other payables	17	4.807	3.828
Tax payables		995	963
Other current liabilities	17	72	59
Total current liabilities		**7.235**	**5.654**
Total liabilities		**14.394**	**8.840**
Total equity and liabilities		**71.970**	**67.423**

The accompanying notes on pages 10 to 24 form an integral part of these IFRS Condensed Consolidated Financial Statements.

Interim condensed 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, 2022	**6.671**	**55.116**	**–**	**-2.345**	**-859**	**58.583**	**58.583**
Net profit / (loss)	–	–	–	–	-1.025	-1.025	-1.025
Total comprehensive profit / (loss)	**–**	**–**	**–**	**–**	**-1.025**	**-1.025**	**-1.025**
Share based payment expense	–	–	–	18	–	18	18
At June 30, 2022	**6.671**	**55.116**	**–**	**-2.327**	**-1.884**	**57.576**	**57.576**

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	–	–	–	–	-363	-363	-363
Other comprehensive profit / (loss)	–	–	–	9	–	9	9
Total comprehensive profit / (loss)	**–**	**–**	**–**	**9**	**-363**	**-354**	**-354**
Capital increase	1.820	54.805	–	–	–	56.625	56.625
Share issue costs net of tax	–	–	–	-2.258	–	-2.258	-2.258
Share based payment expense	–	–	–	30	–	30	30
Transfers within equity	4.851	311	-5.162	–	–	–	–
At June 30, 2021	**6.671**	**55.116**	**–**	**-2.207**	**-522**	**59.058**	**59.058**

The accompanying notes on pages 10 to 24 form an integral part of these IFRS Interim Condensed Consolidated Financial Statements.

Interim condensed consolidated statement of cash flows

		For the six months ended 30 June	
in 000€	**Notes**	**2022**	**2021**
Operating activities			
Net (loss)/profit		**-1025**	**-363**
Non-cash and operational adjustments			
Depreciation of property, plant & equipment and ROU assets		665	350
Amortization of intangible assets		48	29
Gain/(loss) on disposal of property, plant & equipment		-6	4
Increase in provisions	16	42	22
Interest and other finance income		-26	-3
Interest and other finance expense		107	78
Deferred tax expense / (income)	8	-243	-17
Tax expense	8	5	2
Equity settled share based payment expense	7, 13	18	29
IFRS 16 - gain on early termination of lease		–	-4
Other		2	–
Movements in working capital			
Decrease in trade and other receivables	11	511	859
Increase in inventories		-1.408	-156
Increase in trade and other payables	17	1.019	1.548
Increase in contract assets		-2.546	-760
Increase in cash guarantees		-22	–
Increase in deferred revenue		-3	–
Income tax received/(paid)	8	–	-40
Interests paid		-86	-62
Net cash flow (used in)/from operating activities		**-2.948**	**1.516**

Investing activities			
Purchase of property, plant and equipment		-3.055	-5.438
Purchase of intangible assets		-108	-24
Proceeds from the sale of property, plant and equipment		8	18
Acquisition subsidiaries net of cash	6	–	-1.063
Net cash flow used in investing activities		**-3.155**	**-6.507**
Financing activities			
Proceeds from borrowings	15	4.748	–
Repayment of borrowings		-303	-490
Repayment of leases		-161	-111
Receipts from capital increase	13	–	56.625
Paid share issue costs	13	–	-2.893
Other financial expense, net		5	-14
Net cash flow (used in)/from financing activities		**4.288**	**53.117**
Net cash flow		**-1.815**	**48.126**
Net increase of cash and cash equivalents		-1.815	48.126
Cash and cash equivalents at beginning of year	12	42.100	1.300
Cash & cash equivalents at end of period	**12**	**40.285**	**49.426**

The accompanying notes on pages 10 to 24 form an integral part of these IFRS Interim Condensed Consolidated Financial Statements.

Notes to the IFRS Consolidated Financial Statements

1. Corporate information

Ekopak NV (further referred to „Ekopak“ or „the Company“) is a public limited company incorporated and domiciled in Belgium quoted on Euronext. The registered office is located at 13 Careelstraat, 8700 Tielt in Belgium.

Ekopak is a technology company who is principally engaged in designing, building and operating process industrial water installations. Ekopak is active primarily in Europe.

Information on other related party relationships of the Company is provided in Note 18.

The IFRS Interim Condensed Consolidated Financial Statements (further referred as „the interim condensed consolidated financial statements“) of Ekopak NV for the six months ended 30 June, 2022 were authorised for issue in accordance with a resolution of the directors on September 15, 2022.

2. Significant accounting policies

2.1. Basis of preparation

The interim consolidated financial statements of the Company have been prepared in accordance with the requirements of IAS 34 - *Interim Financial Reporting* as adopted by the European Union and interpretations issued by the IFRS interpretation committee applicable to companies reporting under IFRS. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern. The Directors consider that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

The consolidated financial statements are presented in euros and all values are rounded to the nearest thousand (€000), except when otherwise indicated.

The consolidated financial statements have not been subject to audit or review.

2.2. New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2021, except for the adoption of new standards effective as of 1 January 2022.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. The following amendments apply for the first time in 2022, but do not have an impact on the interim condensed consolidated financial statements of the Group:

- Amendments to IFRS 3 Business Combinations: Reference to the Conceptual Framework
- Amendments to IAS 16 Property, Plant and Equipment: received for use
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Compensation
- Annual procedure 2018-2020
- Amendments to IFRS 16 Leases - Covid-19 related rent concessions after June 30, 2021

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements. They should be read in conjunction with the Group’s annual consolidated financial statements as at 31 December 2021.

3. New and revised standards not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2022 reporting periods and have not been early adopted by the Company. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

- Amendments to IAS 1 Presentation of Financial Statements: Classification of Work Accounts as current and non-current (applicable for annual periods beginning on or after January 1, 2023, but not yet approved in the European Union)
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Statement of Practice 2: Disclosure of Accounting Policies (applicable for annual periods on or after January 1, 2023)
- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (applicable for annual periods beginning on or after January 1, 2023)
- Amendments to IAS 12 Income Taxes - Amendments regarding deferred tax on leases and decommissioning obligations and related to assets and liabilities arising from a single transaction (applicable for annual periods beginning on or after January 1, 2023, but not yet approved in the European Union)

4. Significant accounting judgments, estimates and assumptions

The preparation of the Company's interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities for future periods.

On an ongoing basis, the Company evaluates its estimates, assumptions and judgments, including those related to revenue recognition – work in progress and assumptions applied when measuring the defined benefit obligation for the Company insurance plan.

The Company based its assumptions and estimates on parameters available on the moment of preparation of the consolidated financial statements. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

The areas that involved a higher degree of judgement or complexity are consistent with those disclosed in the Group's annual consolidated statements for the year ended 31 December 2021.

The Company has no direct relations with Russia, nor with Ukraine, and therefore does not have direct impact on its business from the conflict that arose in 2022. However, the company may be indirectly affected by the general economic situation and inflation.

5. Operating segments

For management purposes, the Company is organized in two business units based on product and service and the related performance obligations. The two reportable operating segments are the following:

- Non-WaaS model (which include the traditional sales, recurring services, consumables and short-term rental sales): the contracts with the customer are to design and build a process water installation, ownership and control over the process water installation is transferred to customer. iServ is included in the Non-WaaS model as of April 23, 2021.
- Water-As-A-Service ("WaaS") model (which include the DBFMO contract and the operating sales of the DBMO contracts): the contract with the customer is in substance the delivery, during the contractual period, of a guaranteed minimum volume of water which meet the contractual quality requirements under the DBFMO contracts. Under the DBMO contracts, eventually, at the discretion of the customer, a cancellable operating agreement is signed between the Company and the customer to maintain and operate the process water installation.

These segments are reflected in the organizational structure and the internal reporting. No operating segments have been aggregated to form the above reportable operating segments. The measurement principles used by the Company in preparing this segment reporting are also the basis for segment performance assessment and are in conformity with IFRS. The Chief Executive Officer of the Company acts as the chief operating decision maker. As a performance indicator, the chief operating decision maker controls the performance by the Company's revenue, adjusted EBITDA and EBITDA.

The following table summarizes the segment reporting six months ending June 30, 2022.

in 000€	**NON-WaaS**	**WaaS**	**TOTAL SEGMENTS**	**CORP-ORATE**	**TOTAL CONSO-LIDATED**
Revenue	6.248	1.225	7.473	–	7.473
Other operating income	177	–	177	–	177
Purchases of materials	-3.197	-154	-3.351	–	-3.351
Services and other goods	-979	-15	-994	-1.197	-2.191
Employee benefit expense	-2.097	-229	-2.326	-205	-2.531
Other operating charges	-39	-5	-44	–	-44
Adjusted EBITDA	**113**	**822**	**935**	**-1.402**	**-467**
Expenses from claimscas	-2	–	-2	–	-2
EBITDA	**111**	**822**	**933**	**-1.402**	**-469**
Depreciation charges	-419	-293	-712	–	-712
Operating profit	**-308**	**529**	**221**	**-1.402**	**-1.181**
Financial expenses	-5	-21	-26	-81	-107
Financial income	–	–	–	26	26
Profit (loss) before tax	**-313**	**508**	**195**	**-1.457**	**-1.262**
Segment assets	59.598	12.372	71.970	–	71.970
Segment liabilities	8.690	5.704	14.394	–	14.394

The column 'Corporate' included in the line items 'Services and Other goods' and 'Employee benefit expense' relate to group charges. Within the 'Services and Other goods' the corporate expenses are mainly related to marketing, management fees, IT related costs and consultants. The corporate expenses within 'Employee benefit expense' consists of salary costs of management and other employees who work at Corporate level.

The following table summarizes the segment reporting for the year ending June 30, 2021.

in 000€	NON-WaaS	WaaS	TOTAL	CORP-ORATE	TOTAL CONSO-LIDATED
Revenue	4.207	281	4.488	–	4.488
Other operating income	154	–	154	–	154
Purchases of materials	-2.077	-17	-2.094	–	-2.094
Services and other goods	-250	-12	-262	-1.138	-1.400
Employee benefit expense	-892	-50	-942	-82	-1.024
Other operating charges	-34	-3	-37	–	-37
Adjusted EBITDA	**1.108**	**199**	**1.307**	**-1.220**	**87**
Expenses from claims	-11	–	-11	–	-11
EBITDA	**1.097**	**199**	**1.296**	**-1.220**	**76**
Depreciation charges	-256	-123	-379	–	-379
Operating profit	**841**	**76**	**917**	**-1.220**	**-303**
Financial expenses	–	–	–	-78	-78
Financial income	–	–	–	3	3
Profit (loss) before tax	**841**	**76**	**917**	**-1.295**	**-378**
Segment assets	60.764	7.321	68.085	–	68.085
Segment liabilities	7.818	1.209	9.027	–	9.027

The group recharges were as per June 30, 2021 financial statements still included in the segment profit for an amount of KEUR 606 which decreases the Corporate coss and increased the costs in Non-WaaS. The comparative period has been restated on the line item 'Services and Other goods' for an amount of KEUR 553 and on the line item 'Employee benefit expense' for an amount of KEUR 53 compared to the condensed consolidated interim financial statements of June 30, 2021 to eliminate the internal allocation.

The revenue by product and service can be presented as follows:

in 000€	2022	2021
Consumables	1.032	977
Services	1.519	1.392
WaaS revenue	1.225	281
One off sales of water process installations	3.697	1.838
Total revenue by product type	**7.473**	**4.488**

Revenue of mainly all products and services is satisfied over time for the WaaS revenue, one off sales of water process installations and services performed under a service contract. Revenue related to consumables and single services is satisfied at a certain point in time.

The revenue can be presented by geographical area, based on the country in which the customer is domiciled, as follows:

in 000€	**2022**	**2021**
Belgium	6.725	3.333
France	534	74
Netherlands	54	226
United Kingdom	–	14
Luxembourg	–	762
Other countries	160	79
Total revenue by geography	**7.473**	**4.488**

The activities of the Group are not subject to seasonality resulting in significantly higher or lower turnover in the second half of the year compared to the first half of the year. The shift from the Non-WaaS model to the WaaS model may impact comparison of revenue between periods due to the different revenue recognition scheme for both models.

Most non-current assets are located in the country of domicile, Belgium. A total of KEUR 128 non-current assets are located in France.

The Company has one customer which revenue present 24% (KEUR 1.525) of total revenues of the Non-WaaS segment in the year 2022.

6. Business combinations

The Group acquired on 23 April 2021 100% of the shares in iServ BV. iServ BV is a specialized service provider for the treatment of water, based in Genk. The target market of iServ consists of producers and companies active in water treatment and companies that need to treat their water for use in their industrial applications, production or services. The acquisition creates opportunities for the steady growth of Ekopak in the sector of ecological water treatment and strengthens Ekopak's presence on the Belgian territory. The acquisition enables Ekopak to focus even more on quick customer service.

The enterprise value of iServ BV in the transaction amounts to KEUR 1.611.

The final identification and valuation of the fair value of the assets and liabilities of iServ are presented below:

in 000€	**Fair value**
Non-current assets	474
Working capital	480
Cash and cash equivalents	167
Financial debt	-549
Other assets and liabilities	-377
Total identified assets and liabilities	**195**
Goodwill	1.035
Fair value compensation	**1.230**

There are no differences compared to the provisional identified amounts as per December 31, 2021.

The fair value adjustment of the intangible assets relates to the recognition of the customer list for an amount of KEUR 81. The fair value adjustment of the inventory for KEUR -77 relates to the step-down of inventory. The deferred tax liability recognized resulting from the fair value adjustments amounts to KEUR 28.

The transaction resulted in the recognition of goodwill for an amount of KEUR 1.035, which mainly represent the expected synergies with other Group entities. The goodwill is non-deductible for tax purposes.

The reconciliation with the consolidated statement of cash flows is presented below:

Fair value compensation	-1.230
Cash acquired	167
Acquisition of subsidiaries, net of cash	**-1.063**

As per January 1, 2022 iServ BV was merged with Ekopak BV.

7. Income and expenses

7.1. Purchases, services and other goods

in 000€	**2022**	**2021**
Purchase of materials	-2.615	-1.655
Other purchases	-736	-439
Total purchases of materials	**-3.351**	**-2.094**
Rent charges	-158	-44
Repair and maintenance	-69	-71
Utilities	-29	-14
Fuel	-136	-50
Small materials	-132	-57
Postage and website costs	-117	-66
Professional fees	-317	-654
Insurance fees	-79	-66
Transport related expenses	-50	-19
Fees for outsourcing engineering and interim personnel	-199	-35
Management fees	-281	-210
Marketing	-480	–
Other services	-144	-114
Total Services and other goods	**-2.191**	**-1.400**

The purchase of equipment materials relate to the materials purchased for the building of the water process installations. Other purchases are related to outsourced production capacity.

The rent charges mainly comprises of short term rental cars for which the short-term exemption is applied under IFRS 16 and of licenses for the ERP system.

The increase in small materials and interim personnel can be explained by the increase in business activities. Insurance fees, fuel, transport related expenses and postage and website costs have increased given the surge in FTE's. Additionally insurance fees comprise a D&O policy since March 2021.

The professional fees include the fees paid to the accountants, legal counsel, ESG partner, design agency, recruitment and other service providers to the Company and contained in the comparative period IPO related costs for an amount of KEUR 572.

Management fees includes the directors remunerations and fees from management active through a management company. IPO related costs amounted to KEUR 13 in the comparative period.

The increase in marketing related expenses results from the additional efforts done regarding the branding and image since quotation on the stock exchange and is related to a.o. the sponsorship agreement with the Quick-Step Alfa Vinyl Cycling Team since 2022 and the costs related to Company publications.

Other services mainly comprise IT and communication expenses.

7.2. Employee benefits expenses

in 000€	**2022**	**2021**
Gross Salaries	-1.891	-663
Social Security charges	-334	-179
Group Insurance	-84	-42
Other Insurance	-25	-11
Share based payment cost	-18	-29
Other payroll charges	-179	-100
Total employee benefit expenses	**-2.531**	**-1.024**

The employee benefit expenses included KEUR 29 IPO related costs in the comparative period.

Total number of FTE's as per June 30th 2022 amount to 82,3 compared to 42,3 as per June 30th 2021. The gross salaries in 2022 were decreased with the labour cost amounting to KEUR 567 (2021: KEUR 540). These costs are capitalized in the context of the production of WaaS installations.

8. Income and deferred taxes

The major components of income tax expense are:

in 000€	**2022**	**2021**
Consolidated statement of profit or loss		
Current income tax:		
Estimated tax liability for the year	5	2
Deferred income tax:		
Relating to origination and reversal of temporary differences	-16	-10
Relating to tax loss carried forward	-226	-760
of which has been recorded directly in equity (other reserves)	–	753
Income tax expense / (income) reported in the consolidated statement of profit or loss	**-237**	**-15**
Consolidated statement of other comprehensive income		
Deferred tax related to items recognised in OCI during the year:		
Tax expense / (income) on actuarial gains and losses	–	3
Deferred tax charged to OCI	**–**	**3**

The domestic tax rate is 25%. The Company has a total of KEUR 4.698 (2021: KEUR 3.491) tax loss carryforwards for which a deferred tax asset has been recognized. The tax loss carryforwards will be utilized in the coming years when taxable profits are generated. The tax loss carryforward do not expire. An amount of KEUR 753, related to the tax effect of the share issue costs, has been directly deducted from other reserves in the comparative period.

The net result in the comparative period is impacted by IPO related costs for KEUR 614 that have been expensed as disclosed in the note on operating segments on the one hand and by the tax effect of KEUR 753 related the IPO costs directly deducted from other reserves within equity.

9. Intangible assets

The intangible assets as per June 30, 2022 consist of software, other intangible assets and customer list.

The software relates to activated consulting costs for the customization of software.

The increase in the intangible assets compared to December 31, 2021 results from the additional investments (KEUR 108) for the ERP software that has been implemented during the first half of 2022, offset with the depreciations for the period on the intangible assets (KEUR 48).

The customer list results from the business combination of iServ which is disclosed in note 6. The customer list is depreciated straight line over 2,5 years.

10. Property, Plant and Equipment

The property, plant and equipment increased with KEUR 2.613 compared to December 31, 2021.

As per June 30, 2022 an amount of KEUR 1.280 of the increase results from the increasing number and progress of WaaS installations under construction. Besides an amount of KEUR 352 is related to the increase in pilote containers under construction. A total amount of KEUR 1.335 relates to installations which have been transferred to machinery and equipment as these were completed during the first half of 2022. Optimizing of operational installations led to an increase of KEUR 127 as per June 30, 2022

Besides the Company invested KEUR 285 in land for the building of its new business premises on the De Prijkels site in Deinze and KEUR 298 is included in the assets under construction related to this building.

At December 31, 2021, an amount of KEUR 390 is related to the business combination of iServ disclosed in note 6.

The other movements in property, plant and equipment relate to smaller investments and desinvestments mainly in machinery and equipment, vehicles and right-of-use assets.

11. Contract assets, trade and other receivables

Contract assets

Contract assets are initially recognized for revenue earned from the design and building of the water process installation in the sales model and from the DBM part of a DBMO transaction which are not billed.

The contract assets amount to KEUR 4.280, net of prepayments (KEUR 4.807) as per June 30, 2022 and KEUR 1.733, net of prepayments (KEUR 4.144) as per December 31, 2021 respectively. The contract assets are related to several open projects. The increase is due to an increase in the number of the open projects at reporting date compared to December 31, 2021.

Trade and other receivables

Trade and other receivables include the following:

in 000€	At June 30 2022	At December 31 2021
Trade receivables	3.440	2.981
Receivable on vendor - packaging guarantee	56	45
VAT receivable	32	1.011
Deferred charges	198	170
Other current assets	39	46
Total trade receivables and other current assets	**3.765**	**4.253**

The Company applied the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables based on historical losses. The historical losses have been very limited because the Company only works with customers active in the chemical, pharmaceutical and food industry with outstanding credit rating. As such the expected credit loss provision is not material. Trade receivables are non-interest-bearing and are generally on payment terms of 30 days net of invoice.

The receivable on vendor – packaging guarantee relates to the price paid to the vendors for the packaging that will be reimbursed upon return of the packaging. At the same time, the Company has a payable towards the customers for the packaging delivered to and paid by the customers. The receivable is being reviewed regularly for expected credit losses and all receivables outstanding more than 24 months are being fully impaired.

12. Cash and cash equivalents

The cash and cash equivalents can be presented as follows:

in 000€	At June 30 2022	At December 31 2021
Cash at banks and on hand	40.285	42.100
Cash and cash equivalents	**40.285**	**42.100**

Cash and cash equivalent consists mainly of cash at banks and cash on saving accounts with an original maturity less than 3 months.

The cash and cash equivalents as disclosed above do not contain restrictions.

Reconciliation of the cash and cash equivalents for purposes of the cash flow statement:

in 000€	At June 30 2021
Cash at banks and on hand	49.426
Cash and cash equivalents	**49.426**

13. Equity

The Company has issued ordinary shares with no nominal value. The following share transactions have taken place during the period between December 31, 2021 and June 30, 2022:

	Total number of ordinary shares (in '000 shares)	Total share capital in €000	Total share premium in €000	Restricted reserves in €000	Par value per ordinary share (per share)
Outstanding at January 1, 2021	**10.780**	**–**	**–**	**5.162**	**0,00**
Capital increase in cash - public offering and private placement	4.044	1.820	54.805	–	0,45
Change legal form - transfer restricted reserves to share capital	–	4.851	311	-5.162	–
Outstanding on December 31, 2021	**14.824**	**6.671**	**55.116**	**–**	**0,45**
Outstanding at January 1, 2022	14.824	6.671	55.116	–	0,45
Outstanding on June 30, 2022	**14.824**	**6.671**	**55.116**	**–**	**0,45**

At February 19, 2021, the Company has amended its bylaws and changed the legal form resulting in a transfer from the restricted reserves to share capital and share premium.

At March 31, 2021, the Company has issued 3.571.428 new ordinary shares through private placement for a total issue price of KEUR 1.607. The difference between the subscription price and the issue price was added to share premium. Share issue costs were deducted from equity for a total amount net of tax of KEUR 2.258.

At April 8, 2021, the Company has issued 473.214 new ordinary shares for a total issue price of KEUR 213. The difference between the subscription price and the issue price was added to share premium.

The other reserves consist of the following:

	At June 30	At December 31
in 000€	**2022**	**2021**
Restricted reserve - legal reserve	6	6
Other reserves	-2.213	-2.213
Share based payment reserves	78	60
Other comprehensive income:		
Actuarial gains (losses) on defined benefit plans	-198	-198
Total reserves	**-2.327**	**-2.345**

The negative other reserves is for EUR 2.3 million explained by the portion of the IPO costs (net of tax) which was recorded directly through equity.

13.1. Share-based payments

On December 30, 2020, the Company has approved and issued 30.000 warrants in the context of an employee stock ownership plan (the ESOP Warrants) to certain members of the Executive Management. On December 16, 2021, the Company has approved and issued an additional 5.000 warrants. The warrants have been granted free of charge. The weighted average fair value of the warrants amount to € 3,21. The weighted average remaining contractual life is 3,64 years.

10.000 warrants from the plan of December 30, 2020 have vested, none of the warrants have forfeited or currently exercisable.

The share-based payment expense recognized per June 30, 2022 for these warrants is KEUR 18 (June 30, 2021: KEUR 30).

14. Earnings per share

Basic earnings per share amounts are calculated by dividing the net profit (loss) for the year attributable to ordinary equity holders of the parent company by the weighted average number of ordinary shares outstanding during the year. The Company has 35.000 diluted potentially ordinary shares of the ESOP Warrants. The Company is in a loss-making position during 2022 and 2021 and as such the potential ordinary shares would decrease the loss per share, resulting in a non-dilutive effect. As such the basic earnings per share equaled the diluted earnings per share per June 30, 2022 and per June 20, 2021.

The following income and share data was used in the earnings per share computations:

in 000€, except per share data in '000	**2022**	**2021**
Net profit attributable to ordinary equity holders of the parent for basic earnings and diluted earnings per share	-1.025	-363
Weighted average number of ordinary shares for basic and diluted earnings per share	14.825	12.804

15. Borrowings

The movement of the borrowings is presented in the table below:

	At June 30	**At December 31**
in 000€	**2022**	**2021**
At January 1	2.232	2.625
Proceeds from loans and borrowings	4.177	143
Acquisition through business combination	–	350
Transfer to current borrowings	-254	-536
Repayment of loans and borrowings	–	-350
Total non-current borrowings	**6.155**	**2.232**
At January 1	522	473
Proceeds from loans and borrowings	570	–
Acquisition through business combination	–	5
Transfer from non-current borrowings	254	536
Repayment of loans and borrowings	-303	-492
Total current borrowings	**1.043**	**522**

The proceeds from new borrowings engaged in 2022 have a maturity date of 8 years. The fair value of the borrowings is not materially different from the carrying value.

For reconciliation with the cash flow statement per June 30, 2021, the movements are presented below:

	At June 30
in 000€	**2021**
At January 1	2.625
Proceeds from loans and borrowings	–
Acquisition through business combination	350
Transfer to current borrowings	-247
Repayment of loans and borrowings	-250
Total non-current borrowings	**2.478**
At January 1	473
Proceeds from loans and borrowings	–
Acquisition through business combination	5
Transfer from non-current borrowings	247
Repayment of loans and borrowings	-239
Total current borrowings	**486**

16. Provisions and defined benefit obligations

Provisions include the following:

	At June 30	**At December 31**
in 000€	**2022**	**2021**
Provision Legal Claim from customers	-250	-248
Net defined benefit liability	-334	-294
Total provisions and defined benefit obligations	**-584**	**-542**

Movements in the provision legal claim from customers are set out below:

in 000€	**2022**	**2021**
At January 1	-248	-320
Additions	-2	-11
At June 30	**-250**	**-331**

The increase/(decrease) in provisions of KEUR 42 (2021: KEUR 22) in the consolidated statement of cash flows includes the additions from the table above for the amount of KEUR 2 (2021: KEUR 11) and KEUR 40 (2021: KEUR 9) included as costs in the statement of profit and loss relating to the defined benefit liability provision. The increase in provisions for legal claims for an amount of KEUR 2 mainly refers to interests on the base claim.

Movements for reconciliation to December 31, 2021 are set out below:

in 000€	**2021**
At January 1	**-320**
Additions	-26
Reversals	98
At December 31	**-248**

Defined benefit obligations

Defined benefit obligations relate to group insurance schemes for management and employees that classify as defined benefit plan due to the minimum guaranteed return of 1,75% to which the plans are subject.

The net defined benefit liability is as follows:

	At June 30	**At December 31**
in €000	**2022**	**2021**
Net defined benefit liability at the beginning of the year	**294**	**80**
Defined benefit cost included in profit & loss	92	68
Total remeasurement included in other comprehensive income	–	209
Employer contributions	-52	-64
Net defined benefit liability at the end of the year	**334**	**294**

17. Short term liabilities

The short term liabilities are the following:

	At June 30	**At December 31**
in 000€	**2022**	**2021**
Trade and other payables		
Trade payables	-4.305	-3.433
Payroll-related liabilities	-502	-396
Total trade and other payables	**-4.807**	**-3.828**
Other current liabilities		
Payable toward customer for packaging guarantee	-58	-43
Other	-14	-16
Total other current liabilities	**-72**	**-59**

The payable towards the customers for packaging guarantees is the expected reimbursement of the price paid by each customer for the packaging materials delivered by the Company to the customer when returned by the customer to the Company. This payable is related to the receivable towards the suppliers for packaging guarantee. There are no other material obligations for other returns, refunds or warranties.

18. Related party disclosures

This disclosure provides an overview of all transactions with related parties with Pilovan BV and Alychlo NV as shareholder and its representatives in key management.

Key management remuneration

Key management is employed through management agreements and payroll. In addition, the Company has a group insurance plan in favor of key management.

	For the six months ended 30 June	
in 000€	**2022**	**2021**
Short-term employee benefits	433	290
Post-employment benefits	8	6
Total	**441**	**296**
Warrants granted	35.000	30.000
Warrants outstanding	35.000	30.000

The key management consists of 6 persons (including the CEO).

Key management has been granted 35.000 warrants at June 30, 2022 (30.000 at June 30, 2021)

Board of directors remuneration

The directors are remunerated for the performance of their duties. The total amount of directors' fees included in the operating expenses amounts to KEUR 43.

Other related party transactions

The Company has a current account receivable on one of the shareholders, director and member of key management. The current account amounts to KEUR 10 as per June 30, 2022 (KEUR 9 as per December 31, 2021). The current account is interest bearing. Total interest income received from this related party totals KEUR 0,4 at June 30, 2022 and KEUR 0,1 at June 30, 2021.

19. Events after the reporting period

- September 2022. Ekopak acquires the French company H2O Production. The annual turnover generated by H2O Production is over EUR 2.5 million. The acquisition is in the form of a share deal (mid-single digit million euro, and earn-outs). Closing of the deal is expected for October 2022. H2O Production will be included in Ekopak consolidation as of 1 September 2022.
- 5 August 2022. Waterkacht signs agreement with TotalEnergies for the supply of 9 billion litres of process water per annum, starting 2025.

20. Interests in other entities

The group's principal subsidiaries are set out below.

		Ownership interest held by the group	
		At June 30	At December 31
Name of entity	**Country of incorporation**	**2022**	**2021**
Ekopak NV	Belgium	100%	100%
Water-as-a-Service NV	Belgium	0%	100%
iServ BV	Belgium	0%	100%
Ekopak SAS	France	100%	100%

Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Changes in the group's subsidiaries compared to last year, relate to merger of iServ BV and Water-as-a-Service NV into Ekopak NV per January 1, 2022.

21. NON-GAAP Measures

Adjusted EBITDA is used in Note 5 Operating Segments as one of the bases of the Segments performance measurement. We calculate adjusted EBITDA as profit (loss) before tax plus financial expenses, minus financial income, plus expenses from claims and depreciation charges.

EBITDA is used in Note 5 Operating Segments as one of the bases of the Segments performance measurement. We calculate EBITDA as profit (loss) before tax plus financial expenses, minus financial income, plus depreciation charges.