

YEAR-END 2024 FINANCIAL RESULTS

MARCH 2025

ENVELA
CORPORATION





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DISCLAIMERS AND REFERENCES

ADDITIONAL REFERENCE MATERIALS

This presentation should be read in conjunction with materials from Envela Corporation. (“Envela” or the “Company”), including news releases, website content, Securities and Exchange Commission (“SEC”) filings including our most recent annual and quarterly financial statements and related management discussion and analysis (“MD&A”) (collectively “Disclosure Documents”), for full details of the information referenced throughout this presentation. These documents are available on the Company’s website at www.envela.com or as applicable on the SEC Electronic Data Gathering, Analysis, and Retrieval System (“EDGAR”) at www.sec.gov.

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This presentation includes certain non-U.S. GAAP financial measures, including Adjusted EBITDA, Net Cash and Net Working Capital. These measures have no standardized meaning under U.S. GAAP and may not be comparable to similar measures used by other issuers. The Company believes these measures provide investors with an improved ability to evaluate the Company.

Refer to the glossary for further details.

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CURRENCY

All figures presented are in U.S. dollars (“\$”).

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OVERVIEW

+ **Envela is a portfolio of leading brands** dedicated to *sustainability and value creation* for both buyers and sellers.

+ Envela's brands **operate in multiple recycling and recommerce verticals** resulting in *diversification* of revenue streams.

CONSUMER SEGMENT

 Retail	 Wholesale	 Online	 Manufacturing
<ul style="list-style-type: none"> • Bullion • Designer handbags • Fine jewelry • Numismatics & collectibles • Repair services • Luxury watches 	<ul style="list-style-type: none"> • Bullion • Diamonds & gemstones 	<ul style="list-style-type: none"> • Bullion • Numismatics & collectibles 	<ul style="list-style-type: none"> • Value manufacturing capabilities utilizing repurposed materials.

COMMERCIAL SEGMENT

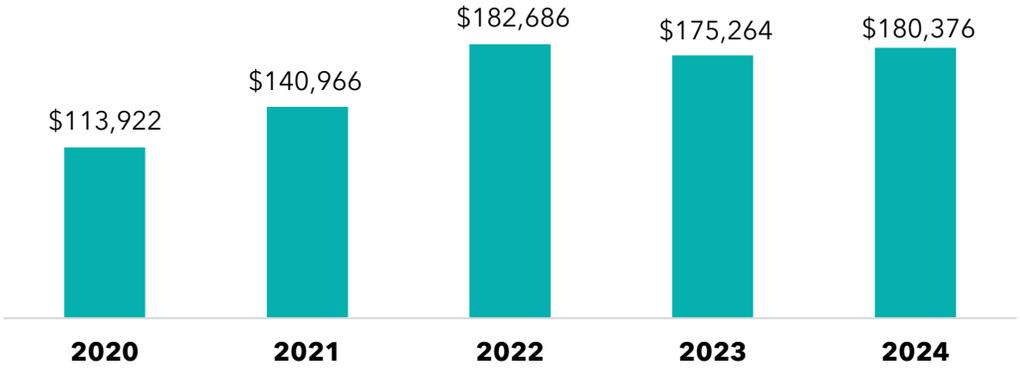
 Recycling	 ITAD	 Trade-In	 Product Returns
<ul style="list-style-type: none"> • Asset destruction • Electronics • Plastics • Sustainability consulting 	<ul style="list-style-type: none"> • Asset recovery buy-back • Data center decommissioning 	<ul style="list-style-type: none"> • Trade-in programs for retailers & global consumer electronics companies 	<ul style="list-style-type: none"> • Testing, inventorying & reselling services for retailers & global consumer electronics companies



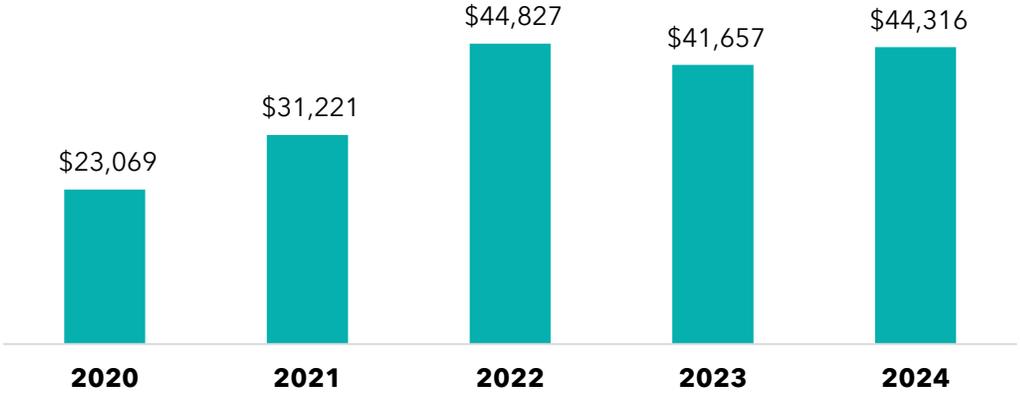
FINANCIAL PERFORMANCE

REVENUE AND GROSS MARGIN

Consolidated Revenue (\$ in thousands)



Consolidated Gross Margin (\$ in thousands)



Fiscal Year 2024:

Revenue of \$180.4 million

Gross Margin of \$44.3 million

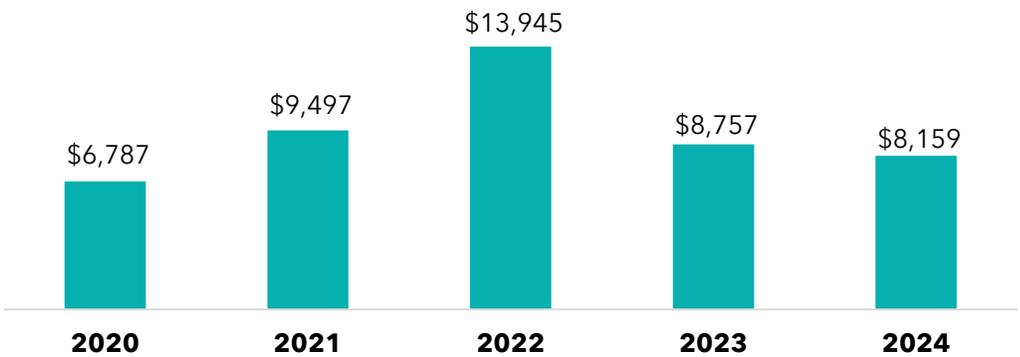
Q4 2024:

Revenue of \$48.3 million

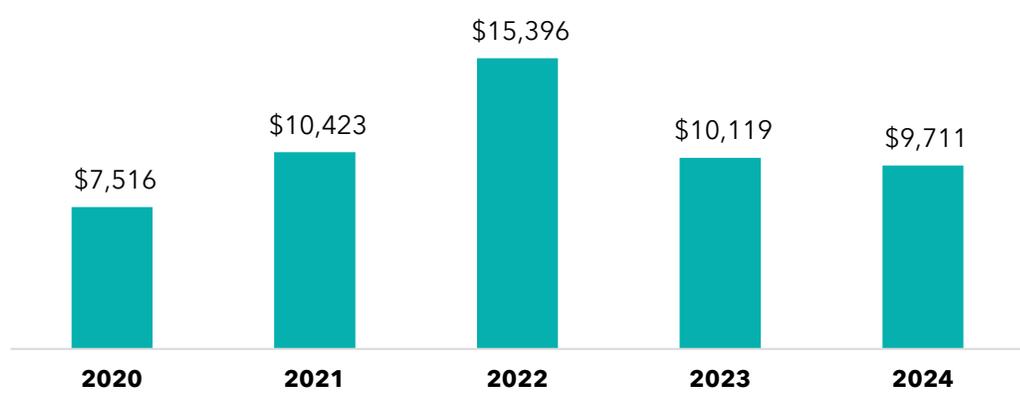
Gross Margin of \$11.1 million

OPERATING INCOME AND ADJUSTED EBITDA

Consolidated Operating Income (\$ in thousands)



Consolidated Adjusted EBITDA (\$ in thousands)



Fiscal Year 2024:

Operating Income of \$8.1 million

Adjusted EBITDA of \$9.7 million

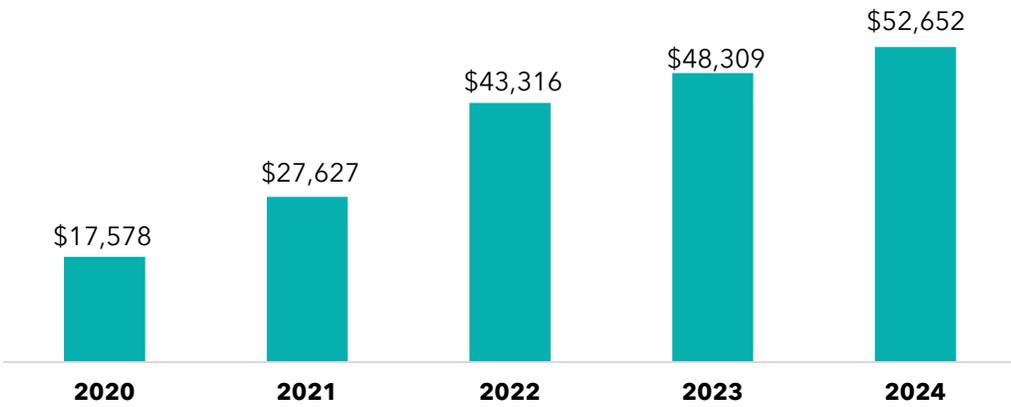
Q4 2024:

Operating Income of \$1.6 million

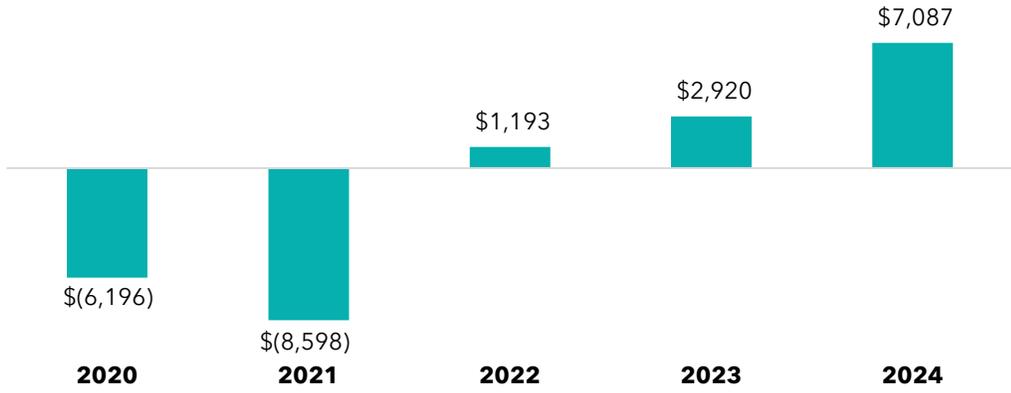
Adjusted EBITDA of \$2.3 million

Envela EQUITY AND LIQUIDITY

Consolidated Shareholders' Equity (\$ in thousands)



Consolidated Net Cash (Debt) (\$ in thousands)



Year Ended 12/31/2024:

Shareholders' Equity of \$52.7 Million

Cash and Cash Equivalents of \$20.6 Million

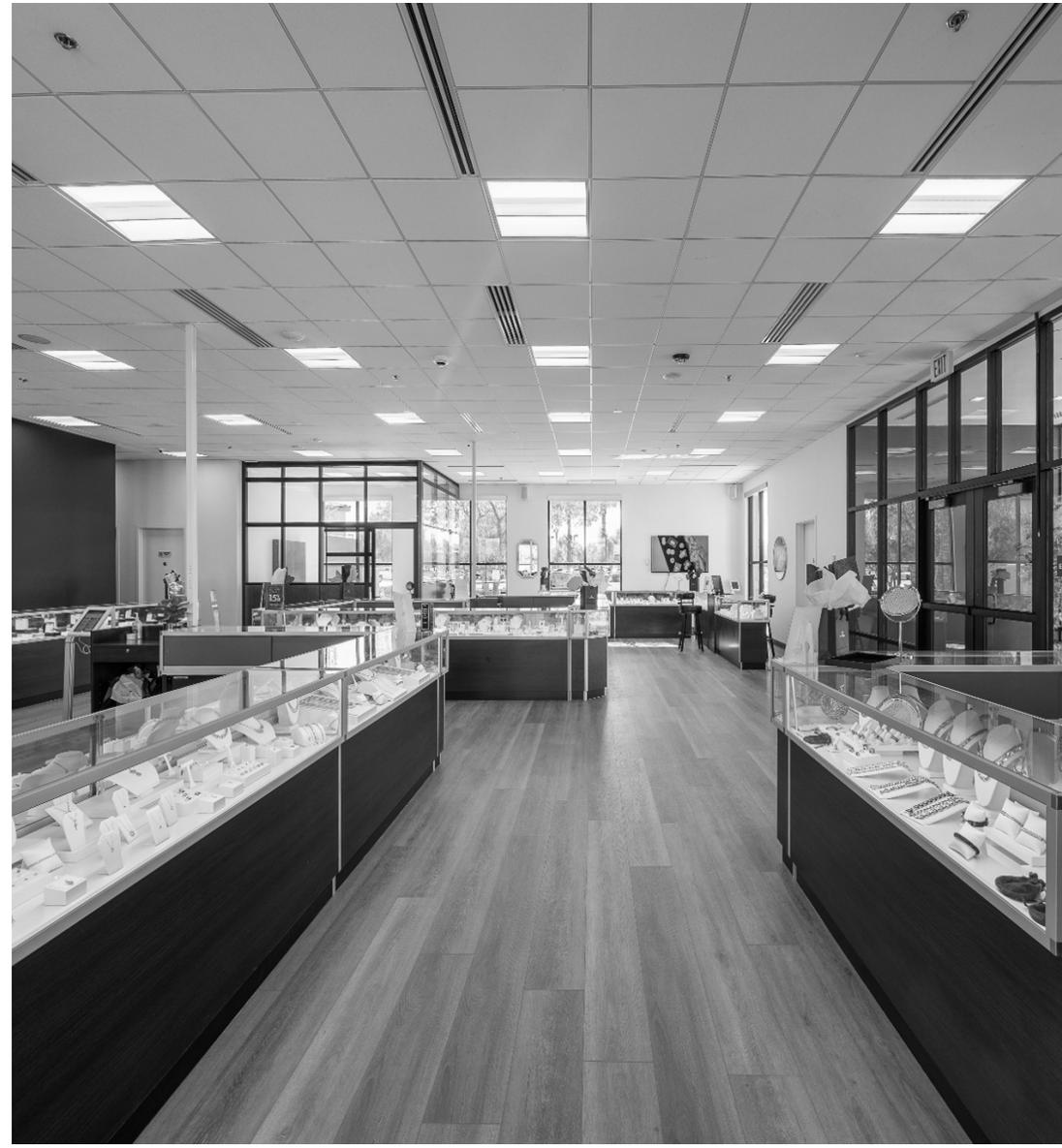
Total Debt of \$13.5 Million

Net Cash of \$7.1 Million

Envela

SHARE REPURCHASES

The company has implemented a strategic buyback program of one million shares, recognizing the inherent value of repurchasing stock when it is undervalued. This initiative reflects our ongoing commitment to maximizing shareholder value.



Source: Company filings and data
 Refer to the Glossary at the end of this presentation for definitions of key terms

Envela FISCAL YEAR

\$000s	FY 2024	FY 2023	\$	%
Sales	180,376	175,264	5,112	2.9%
Cost of goods sold	136,060	133,607	2,453	1.8%
Gross margin	\$ 44,316	\$ 41,657	2,659	6.4%
Expenses:				
Selling, general and administrative	34,605	31,538	3,067	9.7%
Depreciation and amortization	1,552	1,362	190	13.9%
Total operating expenses	\$ 36,157	\$ 32,900	3,257	9.9%
Operating income	\$ 8,159	\$ 8,757	(598)	-6.8%
Other income (expense):				
Other income	1,038	728	310	42.6%
Interest expense	(447)	(463)	16	-3.4%
Income before income taxes	\$ 8,749	\$ 9,021	(272)	-3.0%
Income tax expense	(1,992)	(1,874)	(118)	6.3%
Net income	\$ 6,757	\$ 7,147	(390)	-5.5%

Fiscal Year 2024 vs. Fiscal Year 2023:

Revenue increased 2.9% to \$180.4 million in 2024 compared to \$175.3 million in 2023

Gross margin increased 6.4% to \$44.3 million in 2024 compared to \$41.7 million in 2023

Operating expenses increased 9.9% to \$34.6 million in 2024 compared to \$31.5 million in 2023

Operating income decreased 6.8% to \$8.8 million in 2024 compared to \$8.2 million in 2023

Envela QUARTER TO DATE

\$000s	Q4 2024	Q4 2023	\$	%
Sales	48,322	37,482	10,840	28.9%
Cost of goods sold	37,180	27,732	9,449	34.1%
Gross margin	\$ 11,141	\$ 9,750	1,391	14.3%
Expenses:				
Selling, general and administrative	8,821	7,823	998	12.8%
Depreciation and amortization	431	334	97	29.2%
Total operating expenses	\$ 9,252	\$ 8,157	1,095	13.4%
Operating income	\$ 1,889	\$ 1,593	296	18.6%
Other income (expense):				
Other income	233	171	62	36.6%
Interest expense	(111)	(114)	3	-2.7%
Income before income taxes	\$ 2,011	\$ 1,650	362	21.9%
Income tax expense	(411)	(340)	(71)	21.0%
Net income	\$ 1,600	\$ 1,310	290	22.2%

Q4 2024 vs. Q4 2023:

Revenue increased 28.9% to \$48.3 million in the fourth quarter of 2024 compared to \$37.5 million in the prior-year quarter

Gross margin increased 14.3% to \$11.1 million in the fourth quarter of 2024 compared to \$9.8 million in the prior-year quarter

Operating expenses increased 13.4% to \$9.3 million in the fourth quarter of 2024 compared to \$8.2 million in the prior-year quarter

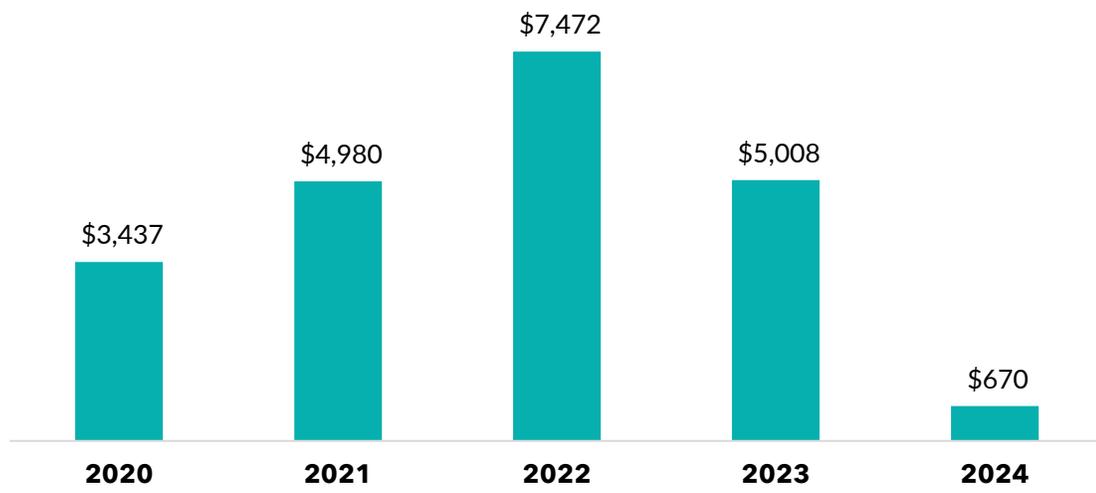
Operating income increased 18.6% to \$1.9 million in the fourth quarter of 2024 compared to \$1.6 million in the prior-year quarter

CONSUMER SEGMENT



Consumer Segment ADJUSTED EBITDA

Consumer Segment Adjusted EBITDA (\$ in thousands)



Fiscal Year 2024:

Adjusted EBITDA of \$0.7 million

Q4 2024:

Adjusted EBITDA of \$0.4 million

Consumer Segment FISCAL YEAR

\$000s	FY 2024	FY 2023	\$	%
Sales	130,469	129,414	1,056	0.8%
Cost of goods sold	114,588	113,765	822	0.7%
Gross margin	\$ 15,882	\$ 15,649	233	1.5%
Expenses:				
Selling, general and administrative	15,212	10,641	4,571	43.0%
Depreciation and amortization	525	325	199	61.3%
Total operating expenses	\$ 15,736	\$ 10,966	4,770	43.5%
Operating income	\$ 145	\$ 4,682	(4,537)	-96.9%
Other income (expense):				
Other income	105	84	21	24.8%
Interest expense	(229)	(192)	(36)	18.9%
Income before income taxes	\$ 21	\$ 4,574	(4,553)	-99.5%
Income tax expense	(5)	(927)	922	-99.5%
Net income	\$ 16	\$ 3,647	(3,630)	-99.6%

Fiscal Year 2024 vs. Fiscal Year 2023:

Revenue increased 0.8% to \$130.5 million in 2024 compared to \$129.4 million in 2023

Gross margin increased 1.5% to \$15.9 million in 2024 compared to \$15.6 million in 2023

Operating expenses increased 43.5% to \$15.7 million in 2024 compared to \$11.0 million in 2023

Operating income decreased 96.9% to \$0.1 million in 2024 compared to \$4.7 million in 2023

Consumer Segment QUARTER TO DATE

\$000s	Q4 2024	Q4 2023	\$	%
Sales	36,497	26,187	10,310	39.4%
Cost of goods sold	32,102	22,207	9,895	44.6%
Gross margin	\$ 4,395	\$ 3,980	415	10.4%
Expenses:				
Selling, general and administrative	4,025	3,183	842	26.4%
Depreciation and amortization	168	72	96	133.4%
Total operating expenses	\$ 4,193	\$ 3,255	938	28.8%
Operating income	\$ 202	\$ 725	(522)	-72.1%
Other income (expense):				
Other income	26	13	13	93.1%
Interest expense	(57)	(15)	(42)	283.0%
Income before income taxes	\$ 171	\$ 723	(552)	-76.3%
Income tax expense	(39)	(149)	110	-74.1%
Net income	\$ 133	\$ 574	(442)	-76.9%

Q4 2024 vs. Q4 2023:

Revenue increased 39.4% to \$36.5 million in the fourth quarter of 2024 compared to \$26.2 million in the prior-year quarter

Gross margin increased 10.4% to \$4.4 million in the fourth quarter of 2024 compared to \$4.0 million in the prior-year quarter

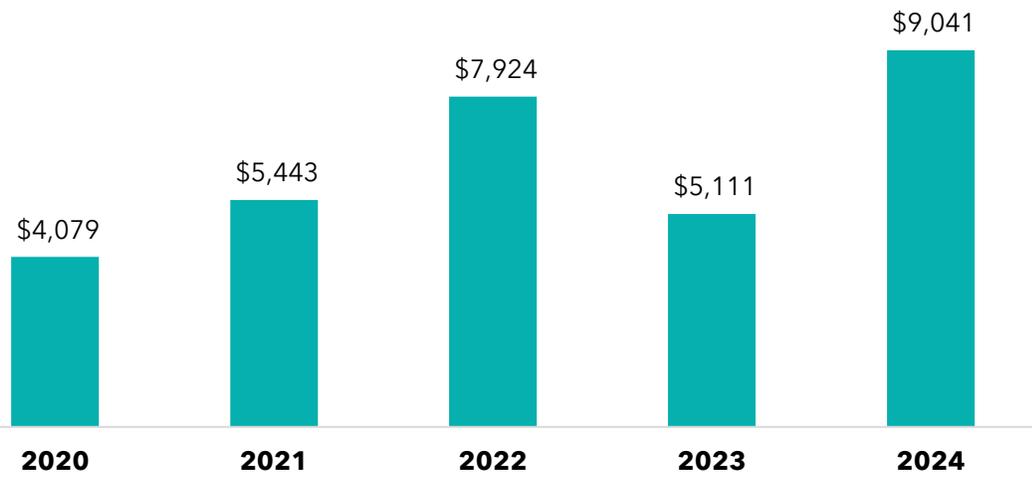
Operating expenses increased 28.8% to \$4.2 million in the fourth quarter of 2024 compared to \$3.3 million in the prior-year quarter

Operating income decreased 72.1% to \$0.2 million in the fourth quarter of 2024 compared to \$0.7 million in the prior-year quarter

COMMERCIAL SEGMENT

Commercial Segment ADJUSTED EBITDA

Commercial Segment Adjusted EBITDA (\$ in thousands)



Fiscal Year 2024:

Adjusted EBITDA of \$9.0 million

Q4 2024:

Adjusted EBITDA of \$2.0 million

Commercial Segment FISCAL YEAR

\$000s	FY 2024	FY 2023	\$	%
Sales	49,907	45,850	4,057	8.8%
Cost of goods sold	21,473	19,842	1,631	8.2%
Gross margin	\$ 28,434	\$ 26,008	2,426	9.3%
Expenses:				
Selling, general and administrative	19,393	20,897	(1,504)	-7.2%
Depreciation and amortization	1,027	1,037	(10)	-0.9%
Total operating expenses	\$ 20,420	\$ 21,934	(1,513)	-6.9%
Operating income	\$ 8,013	\$ 4,074	3,939	96.7%
Other income (expense):				
Other income	933	644	289	44.9%
Interest expense	(219)	(271)	52	-19.3%
Income before income taxes	\$ 8,728	\$ 4,447	4,281	96.2%
Income tax expense	(1,987)	(947)	(1,041)	109.9%
Net income	\$ 6,741	\$ 3,501	3,240	92.6%

Fiscal Year 2024 vs. Fiscal Year 2023:

Revenue increased 8.8% to \$49.9 million in 2024 compared to \$45.9 million in 2023

Gross margin increased 9.3% to \$28.4 million in 2024 compared to \$26.0 million in 2023

Operating expenses decreased 6.9% to \$20.4 million in 2024 compared to \$21.9 million in 2023

Operating income increased 96.7% to \$8.0 million in 2024 compared to \$4.1 million in 2023

Commercial Segment QUARTER TO DATE

\$000s	Q4 2024	Q4 2023	\$	%
Sales	11,825	11,295	530	4.7%
Cost of goods sold	5,079	5,525	(446)	-8.1%
Gross margin	\$ 6,746	\$ 5,771	976	16.9%
Expenses:				
Selling, general and administrative	4,796	4,640	156	3.4%
Depreciation and amortization	264	262	2	0.6%
Total operating expenses	\$ 5,060	\$ 4,902	157	3.2%
Operating income	\$ 1,687	\$ 868	818	94.2%
Other income (expense):				
Other income	207	157	50	31.7%
Interest expense	(54)	(99)	45	-45.6%
Income before income taxes	\$ 1,840	\$ 926	914	98.6%
Income tax expense	(372)	(191)	(182)	95.3%
Net income	\$ 1,468	\$ 736	732	99.5%

Q4 2024 vs. Q4 2023:

Revenue increased 4.7% to \$11.8 million in the fourth quarter of 2024 compared to \$11.3 million in the prior-year quarter

Gross margin increased 16.9% to \$6.7 million in the fourth quarter of 2024 compared to \$5.8 million in the prior-year quarter

Operating expenses increased 3.2% to \$5.1 million in the fourth quarter of 2024 compared to \$4.9 million in the prior-year quarter

Operating income increased 94.2% to \$1.7 million in the fourth quarter of 2024 compared to \$0.9 million in the prior-year quarter



APPENDICES

GLOSSARY

ADJUSTED EBITDA

Adjusted EBITDA is a non-U.S. GAAP measure and equals net income plus (a) depreciation and amortization expense, (b) interest expense, (c) income tax expense, less (d) other income.

GROSS MARGIN

Gross Margin is the amount of revenue less cost of goods sold, as a percent of total revenue.

NET CASH (DEBT)

Net Cash (Debt) is the difference between (i) cash and cash equivalents and (ii) the sum of debt obligations per the Balance Sheet.

OPERATING CASH FLOW

Operating Cash Flow is the measure of how much cash is generated from normal business operations during the specific period and is referred to as net cash provided by operations in the Statement of Cash Flows.

OPERATING EXPENSE

Operating Expense is the amount of expense that is incurred from performing core operations. Operating income represents (a) selling, general and administrative expense, and (b) depreciation and amortization expense.

OPERATING INCOME

Operating Income is the amount of income that is generated from core operations. Operating income represents sales, less (a) cost of goods sold, (b) selling, general and administrative expense, and (c) depreciation and amortization expense.

REVENUE

Revenue is total sales derived from the income statement.

SEC

Securities and Exchange Commission

U.S.

United States

U.S. GAAP

U.S. Generally Accepted Accounting Principles

\$

U.S. Dollar

HISTORICAL FINANCIAL RESULTS

Consolidated

\$000s, except per unit amounts	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Sales	113,922	140,966	182,686	175,264	180,376
Cost of goods sold	90,853	109,745	137,859	133,607	136,060
Gross margin	\$23,069	\$31,221	\$44,827	\$41,657	\$44,316
Expenses:					
Selling, general and administrative	15,553	20,798	29,431	31,538	34,605
Depreciation and amortization	729	926	1,452	1,362	1,552
Total operating expenses	\$16,282	\$21,724	\$30,883	\$32,900	\$36,157
Operating income	\$6,787	\$9,497	\$13,945	\$8,757	\$8,159
Other income (expense):					
Other income (expense)	307	1,369	919	728	1,038
Interest expense	(620)	(704)	(484)	(463)	(447)
Income before income taxes	\$6,474	\$10,162	\$14,380	\$9,021	\$8,749
Income tax expense	(90)	(113)	1,310	(1,874)	(1,992)
Net income	\$6,384	\$10,049	\$15,689	\$7,147	\$6,757
Basic earnings per share:					
Net income	0.24	0.37	0.58	0.27	0.26
Diluted earnings per share:					
Net income	0.24	0.37	0.58	0.27	0.26
Weighted average shares outstanding:					
Basic	26,925	26,925	26,925	26,823	26,181
Diluted	26,925	26,940	26,940	26,838	26,181
Adjusted EBITDA Reconciliation					
Net income	6,384	10,049	15,689	7,147	6,757
Addition (deduction):					
Depreciation and amortization	729	926	1,452	1,362	1,552
Other income	(307)	(1,369)	(919)	(728)	(1,038)
Interest expense	620	704	484	463	447
Income tax expense	90	113	(1,310)	1,874	1,992
	\$7,516	\$10,423	\$15,396	\$10,119	\$9,711

Source: Company filings and data
Refer to the Glossary at the end of this presentation for definitions of key terms

Consumer Segment

\$000s	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Sales	85,661	96,719	131,107	129,414	130,469
Cost of goods sold	75,292	84,111	114,873	113,765	114,588
Gross margin	\$10,370	\$12,608	\$16,234	\$15,649	\$15,882
Expenses:					
Selling, general and administrative	6,933	7,628	8,762	10,641	15,212
Depreciation and amortization	322	390	411	325	525
Total operating expenses	\$7,255	\$8,018	\$9,173	\$10,966	\$15,736
Operating income	\$3,115	\$4,590	\$7,061	\$4,682	\$145
Other income (expense):					
Other income (expense)	114	914	62	84	105
Interest expense	(209)	(288)	(244)	(192)	(229)
Income before income taxes	\$3,019	\$5,216	\$6,879	\$4,574	\$21
Income tax expense	(40)	(45)	1,427	(927)	(5)
Net income	\$2,979	\$5,171	\$8,305	\$3,647	\$16
Adjusted EBITDA Reconciliation					
Net Income	\$2,979	\$5,171	\$8,305	\$3,647	\$16
Addition (deduction):					
Depreciation and amortization	322	390	411	325	525
Other income	(114)	(914)	(62)	(84)	(105)
Interest expense	209	288	244	192	229
Income tax expense	40	45	(1,427)	927	5
	\$3,437	\$4,980	\$7,472	\$5,008	\$670

Commercial Segment

\$000s	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Sales	28,261	44,247	51,578	45,850	49,907
Cost of goods sold	15,562	25,634	22,986	19,842	21,473
Gross margin	\$12,699	\$18,613	\$28,593	\$26,008	\$28,434
Expenses:					
Selling, general and administrative	8,620	13,170	20,668	20,897	19,393
Depreciation and amortization	407	536	1,041	1,037	1,027
Total operating expenses	\$9,027	\$13,706	\$21,709	\$21,934	\$20,420
Operating income	\$3,672	\$4,907	\$6,883	\$4,074	\$8,013
Other income (expense):					
Other income (expense)	193	455	857	644	933
Interest expense	(411)	(416)	(239)	(271)	(219)
Income before income taxes	\$3,454	\$4,946	\$7,501	\$4,447	\$8,728
Income tax expense	(49)	(68)	(117)	(947)	(1,987)
Net income	\$3,405	\$4,878	\$7,384	\$3,501	\$6,741
Adjusted EBITDA Reconciliation					
Net income	\$3,405	\$4,878	\$7,384	\$3,501	\$6,741
Addition (deduction):					
Depreciation and amortization	407	536	1,041	1,037	1,027
Other income	(193)	(455)	(857)	(644)	(933)
Interest expense	411	416	239	271	219
Income tax expense	49	68	117	947	1,987
	\$4,079	\$5,443	\$7,924	\$5,111	\$9,041

Source: Company filings and data
Refer to the Glossary at the end of this presentation for definitions of key terms

ANALYST COVERAGE



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