

# Cambi ASA

# Capital Markets Update

27 September 2023

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# Cambi is strongly positioned for value creation

Capital Markets Update 2023

**Global leader** in wastewater sludge treatment solutions with solid track record

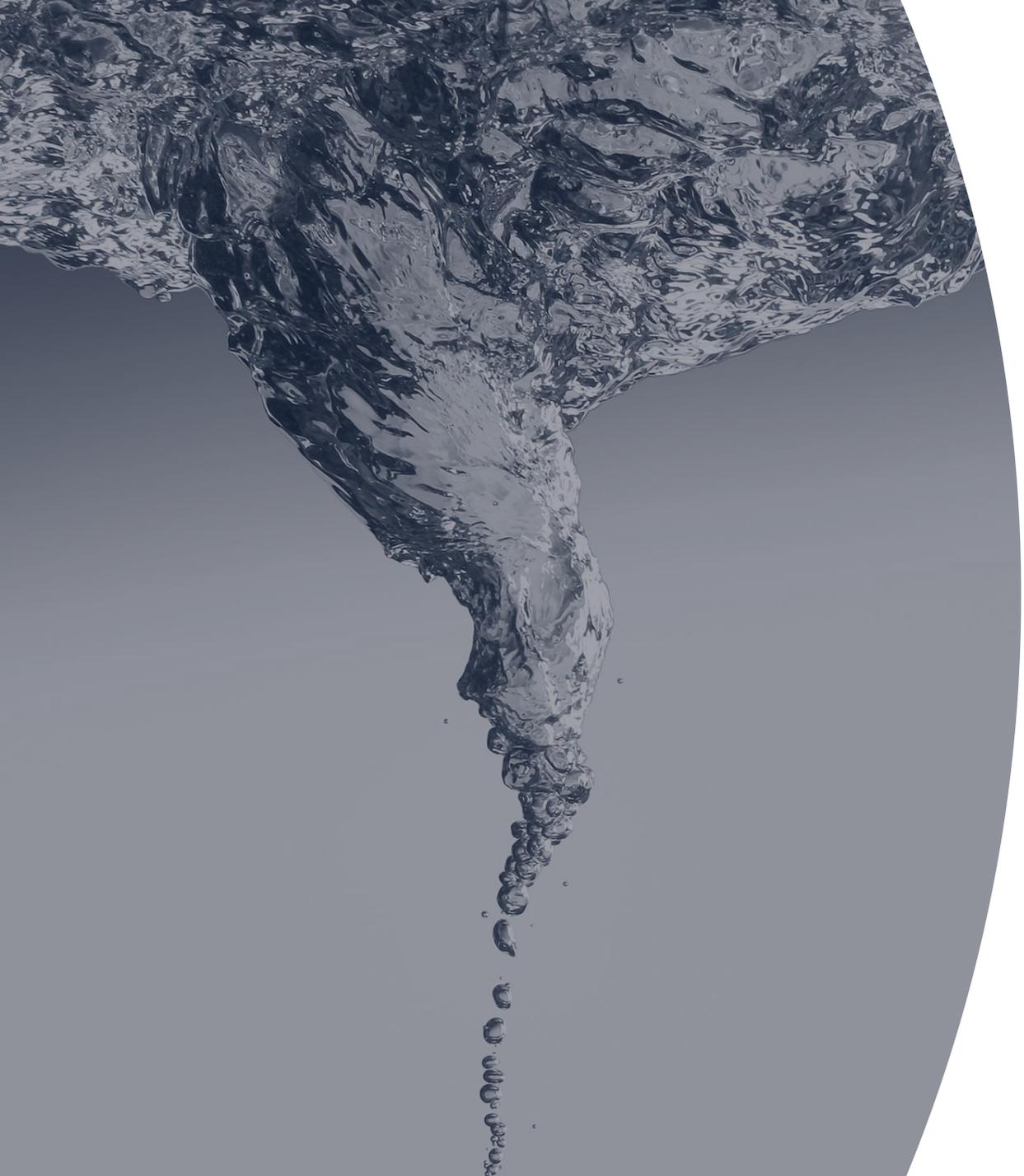
**Robust financial** performance enabling shareholder dividends

**Scalable platform** positioned for future development

**Proven thermal hydrolysis technology** with unique value proposition

Strongly positioned in **attractive market** supported by macro trends





# **DOWN THE DRAIN IS A UNIQUE CIRCULAR OPPORTUNITY**

**CAMBI**

**An unfortunate truth:**

“

*Half of the world's  
wastewater is released  
into the environment  
untreated*





“Decades of mismanaging our water resources through overconsumption, pollution and insufficient recycling have led to a global water crisis.”

- United Nations Environment Programme, 2023

### Biodiversity



### Human health



### Pollution



# Wastewater treatment is a *unique* circular opportunity

If treated, wastewater can:



Provide alternative energy to half a billion people



Supply more than 10 times the current global desalination capacity



Offset over 10% of global fertilizer use

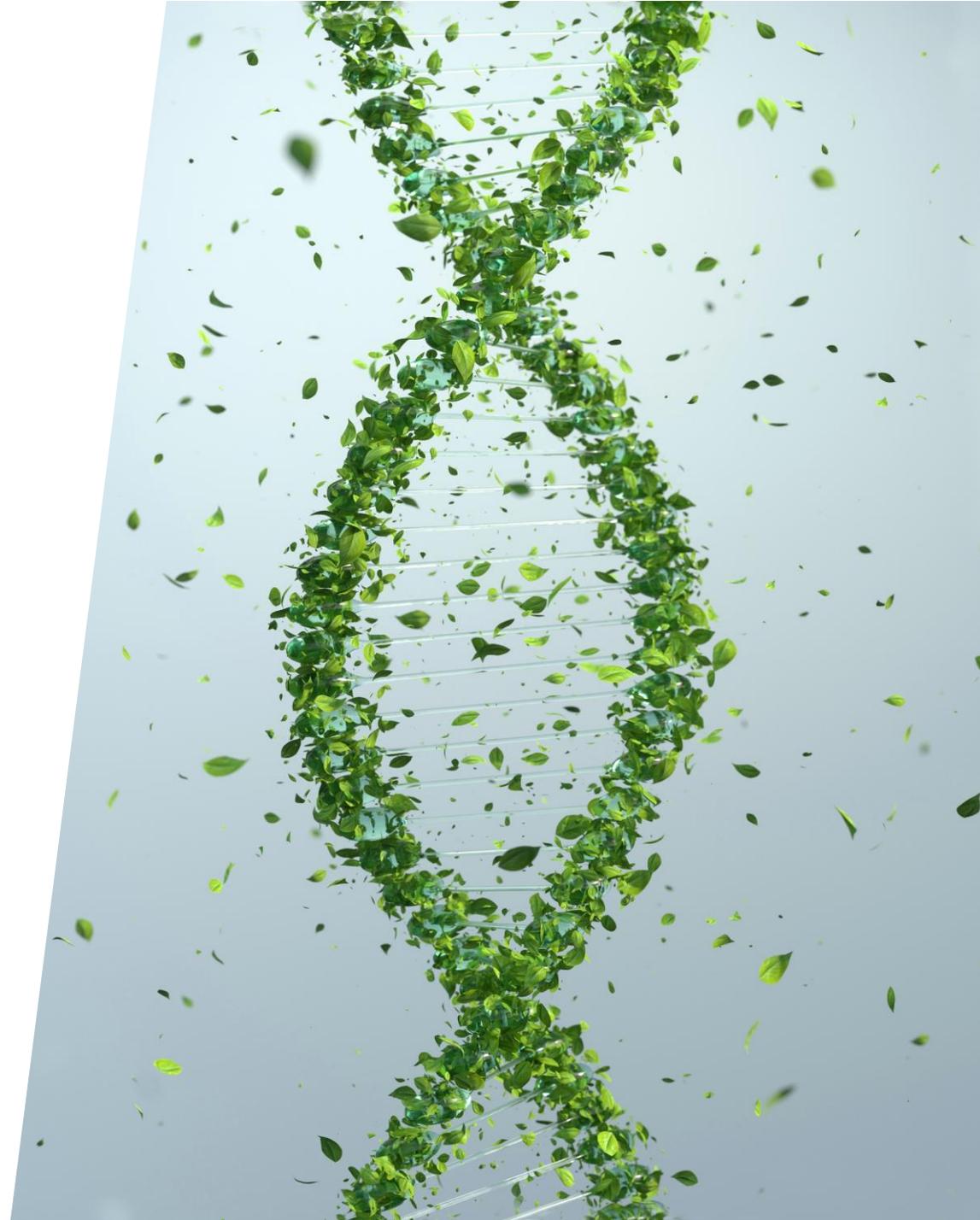


**GLOBAL LEADER IN  
WASTEWATER SLUDGE  
TREATMENT SOLUTIONS  
WITH ROBUST TRACK  
RECORD**

**CAMBI**

*Our mission*

**Improving the environment by transforming wastewater solids and organic wastes into valuable bioresources through reliable solutions for municipal utilities and industries**



# We do this through our Thermal Hydrolysis Process

Cambi's Thermal Hydrolysis Process (THP) converts  
wastewater sludge into valuable bioresources



# Cambi is a diverse and innovative company committed to creating sustainable cities

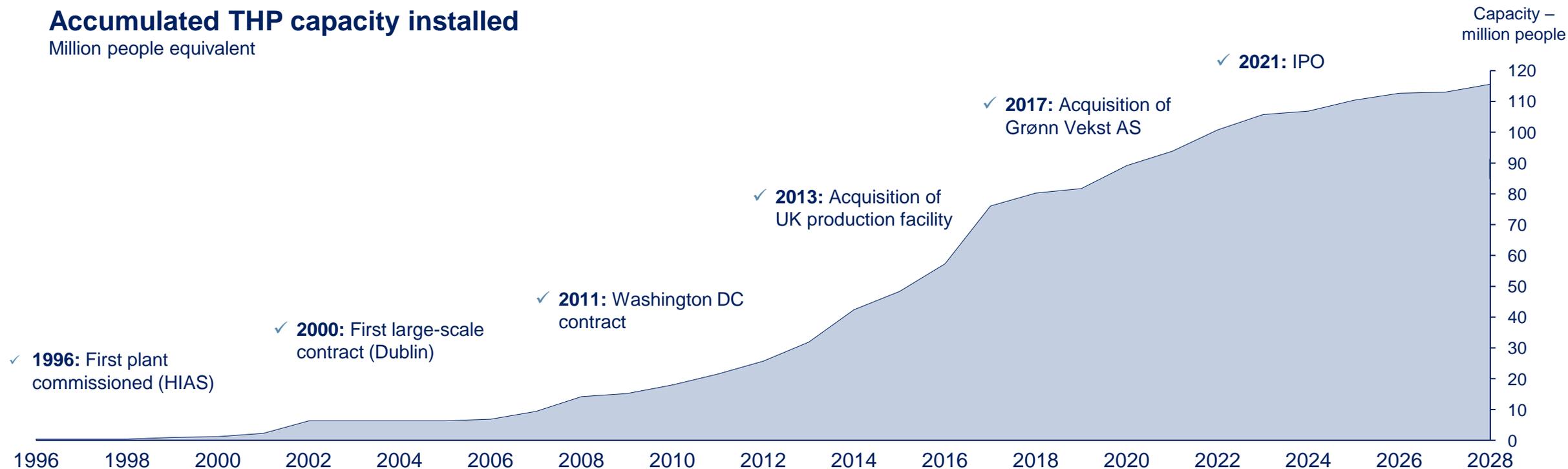
- **Cambi's culture** is based on innovative thinking, teamwork and treating each other with kindness and respect
- Our **147 colleagues** share a common **purpose** and **passion** for creating more environmentally friendly cities around the world
- We are a **multicultural** team with a mix of young and experienced colleagues from more than 20 countries
- We are a gender **diverse organization**, In 2020, our female representation was at 19%, and in 2023 this has increased to 26%



# Based on more than three decades of experience, 115 million people are served by our technology daily

## Accumulated THP capacity installed

Million people equivalent



Last 12 months  
as of Q2 2023

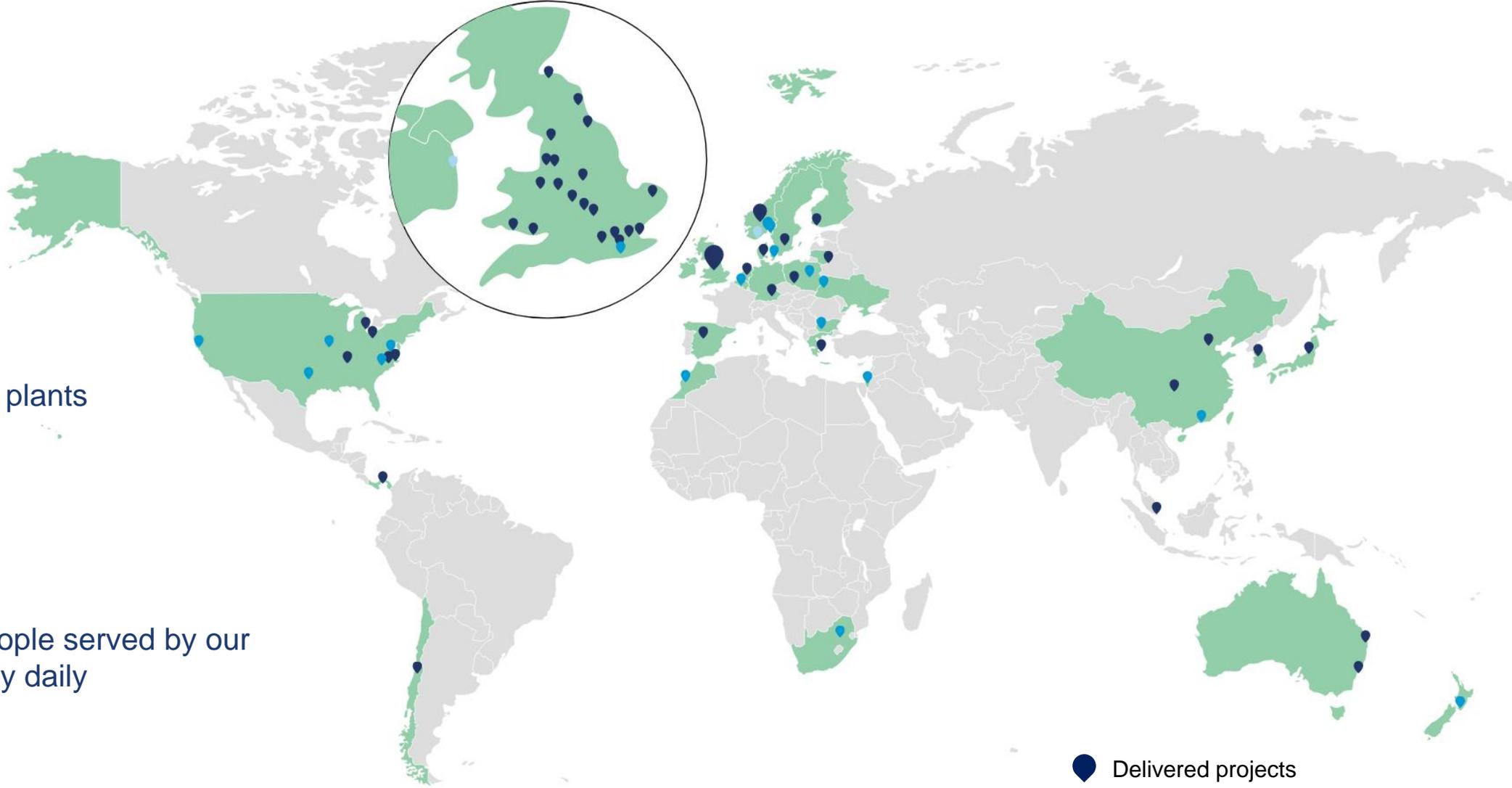
Revenues **714**  
NOK million

EBITDA **147**  
NOK million

EBITDA margin **21**  
%

# Global presence and a solid track record of delivered installations

- 86 reference plants
- 27 countries
- 115 million people served by our technology daily



● Delivered projects  
● Project under execution

# Cambi is a trusted partner for leading water utilities worldwide



San Francisco, USA



Brussel, Belgium



Oslo, Norway



Beijing, China



Washington DC, USA



Dublin, Ireland



London, UK



Seoul, South Korea



Kansas City, USA



Athens, Greece



Birmingham, UK



Hong Kong, China



Dallas, USA



Panama City, Panama



Edinburgh, UK



Singapore



Santiago, Chile



Johannesburg, South Africa



VEAS, Norway



Sydney, Australia

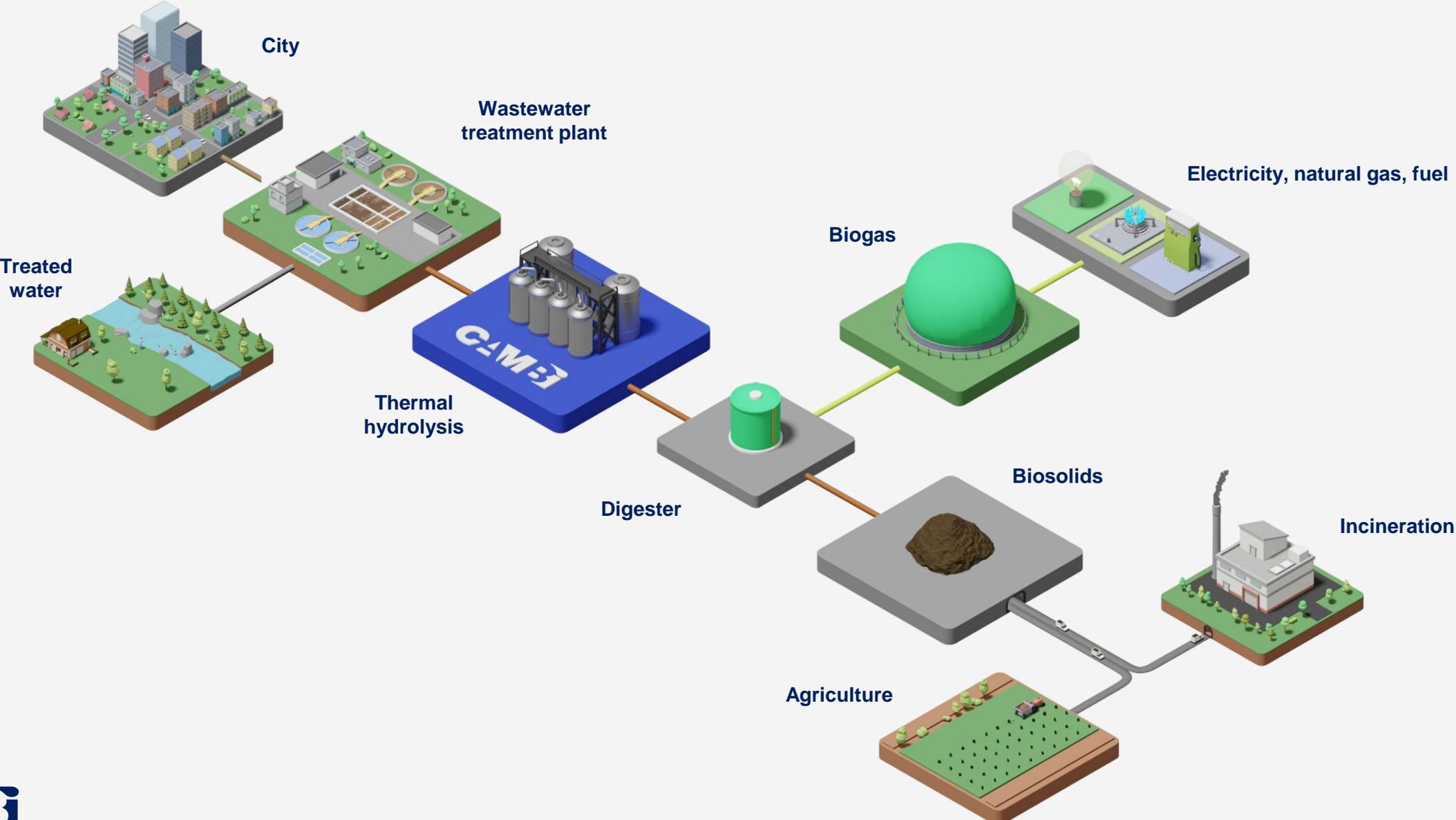




# PROVEN THERMAL HYDROLYSIS TECHNOLOGY WITH UNIQUE VALUE PROPOSITION

**CAMBI**

# Cambi transforms sewage sludge into renewable resources



# Cambi THP offers a highly attractive value proposition

## Cambi THP for sludge treatment

## Economic impact

## Environmental impact





# Cambi THP significantly reduces the volume of biosolids, and the high-quality product is safe for further handling

Biosolids **without** thermal hydrolysis treatment

- x Limited sterilization
- x Smelly
- x Hard to de-water

Biosolids **with** thermal hydrolysis treatment

- ✓ Up to 50% reduced volume
- ✓ Guaranteed pathogen kill
- ✓ Odor-free
- ✓ Easy de-watering



Example:

# Our customer DC Water has turned their THP biosolids into a garden soil product sold in the consumer market



Safe to handle and with earthy odor



Higher quality biosolids can reduce cost per tonne. Here, sold as garden soil



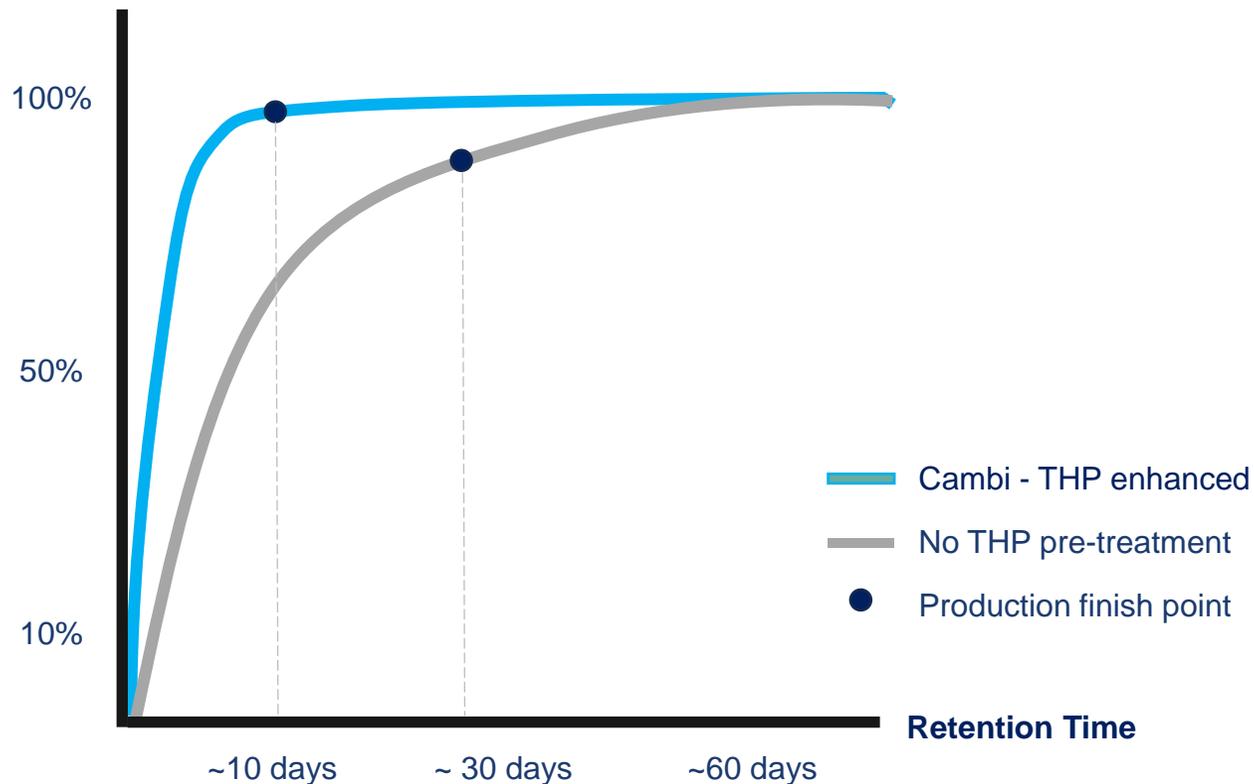
Biogas yield increase up to 50%



Digestion efficiency 3x increase

# Cambi THP significantly increases the rate of biogas production

Biogas production



## Thames Water Utilities



- The wastewater utility for London Metropolitan area
- Repeat customer with Cambi projects
- **Reports biogas generation increase up to 49%**

## Beijing Drainage Group



- The wastewater utility for Beijing metropolitan area
- Repeat customer with 5 Cambi projects
- **Reports biogas generation increase up to 40%**

Example:

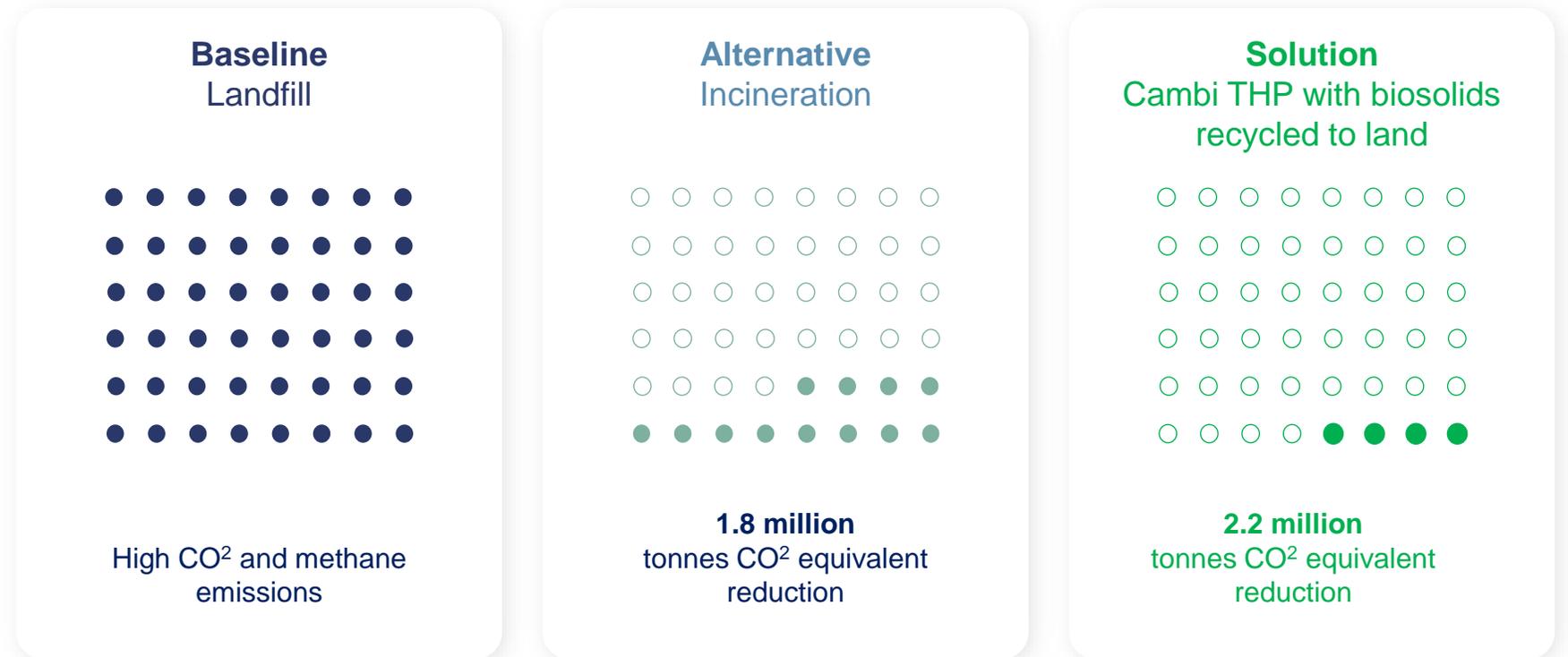
# THP avoids costly investments in more digesters, beneficial for space-constrained wastewater plants



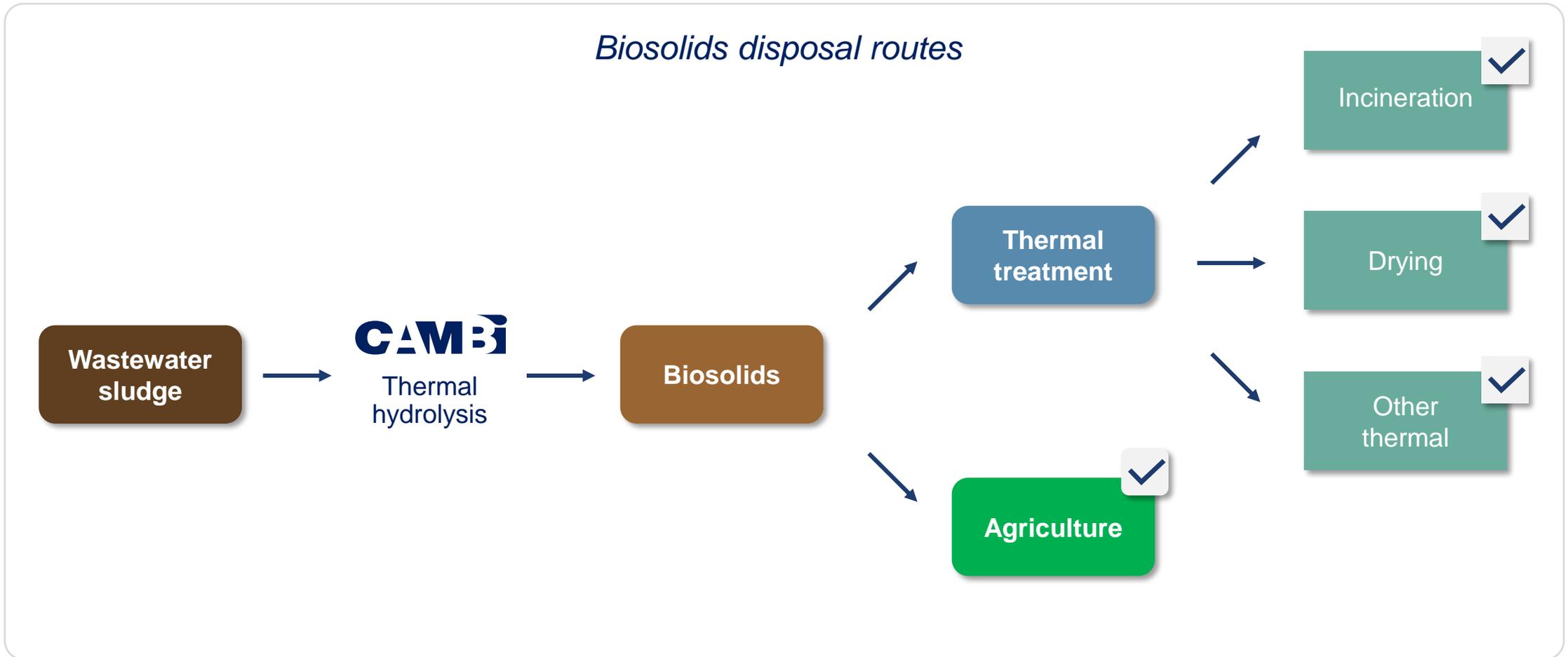
Example:

# The city of Beijing significantly reduced its carbon footprint through installation of Cambi THP technology

## Emissions related to sludge management in Beijing, China



# Thermal hydrolysis is suitable for all biosolids disposal routes, significantly reducing the biosolids volume to be handled





CONVERSATION:

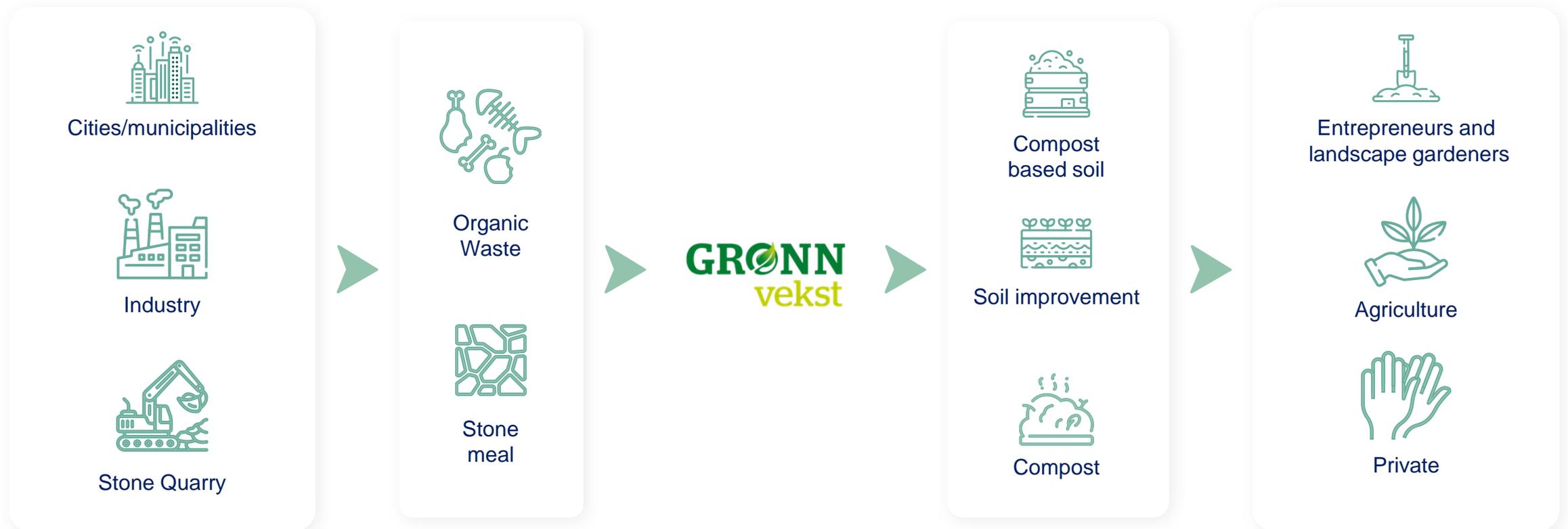
**GRONN**  
vekst

**CAMBI**

# Grønn Vekst is the largest bulk soil producer in Norway, specialized in recycling organic resources and waste fractions

## Upstream customers

## Downstream customers

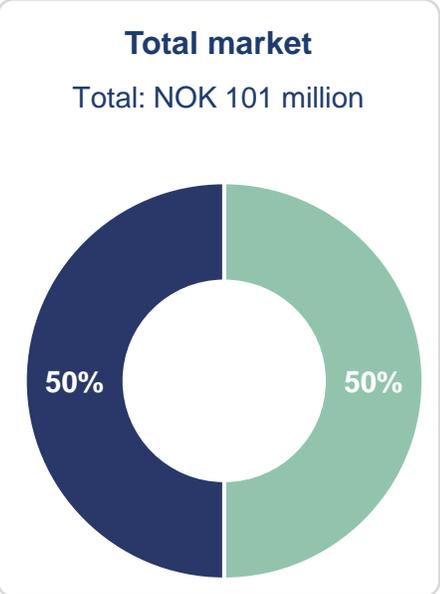


# Grønn Vekst has a solid track record and growth potential in downstream markets

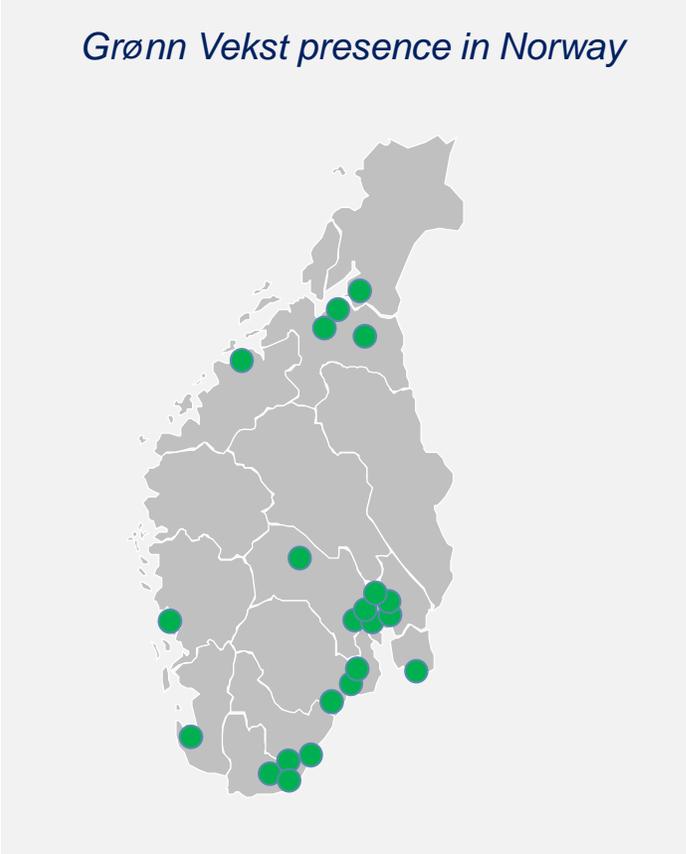
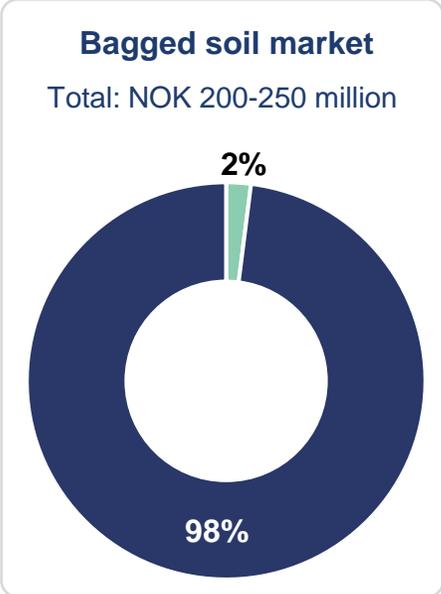
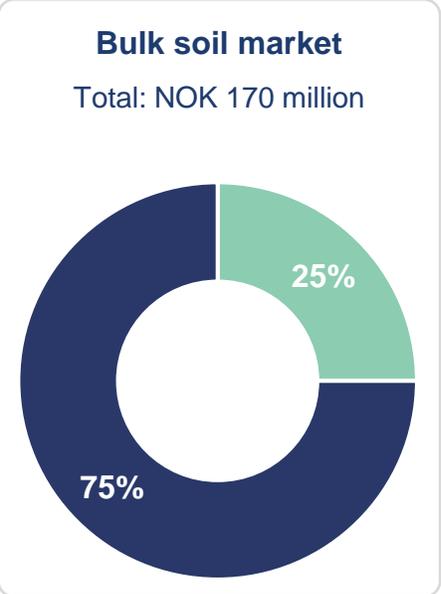
## Market share of Grønn Vekst

■ Grønn Vekst ■ Other

Upstream<sup>1</sup>



Downstream







# **STRONGLY POSITIONED IN ATTRACTIVE MARKET SUPPORTED BY MACRO TRENDS**

**CAMBI**

# Tailwind from several macro trends drive the demand for our technology solutions going forward



**Urbanization**



**Regulations**



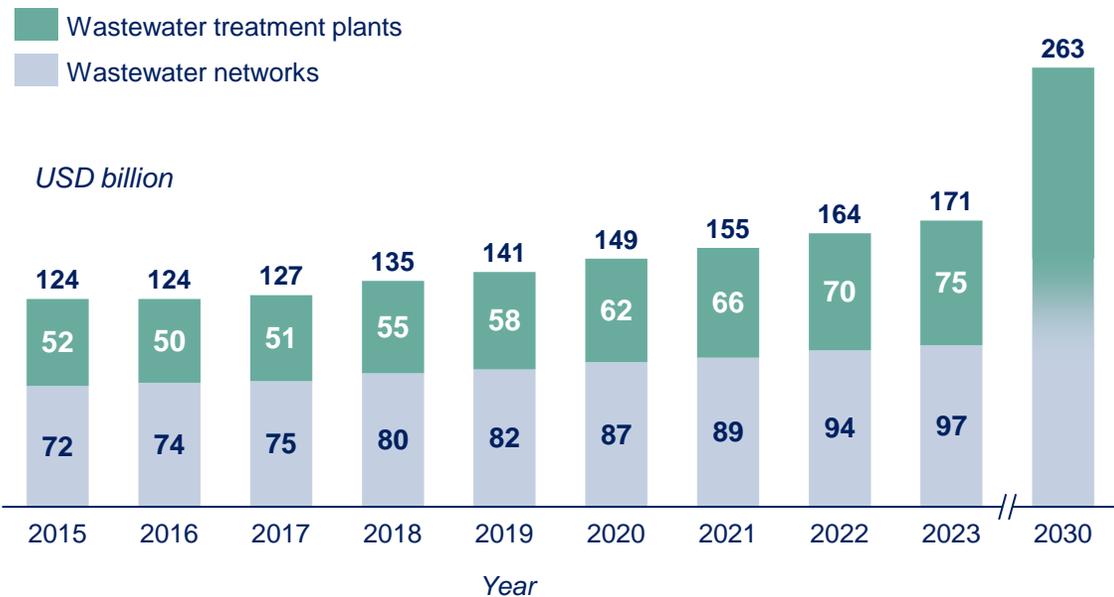
**Circular economy**



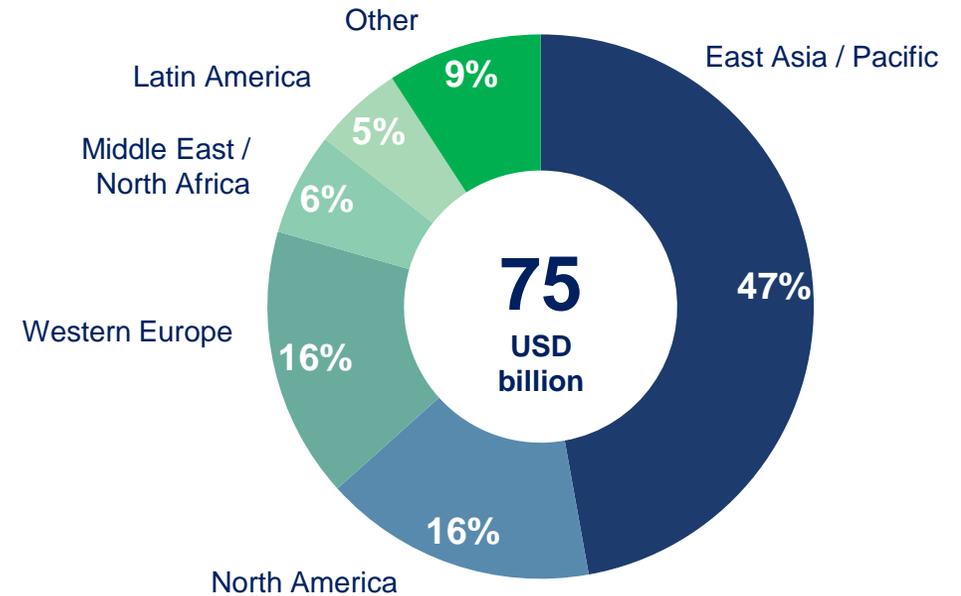
**Infrastructure investments**

# Global capital expenditures for wastewater utilities is projected to reach a staggering USD 263 billion in 2030

Global capex prognosis for wastewater utilities



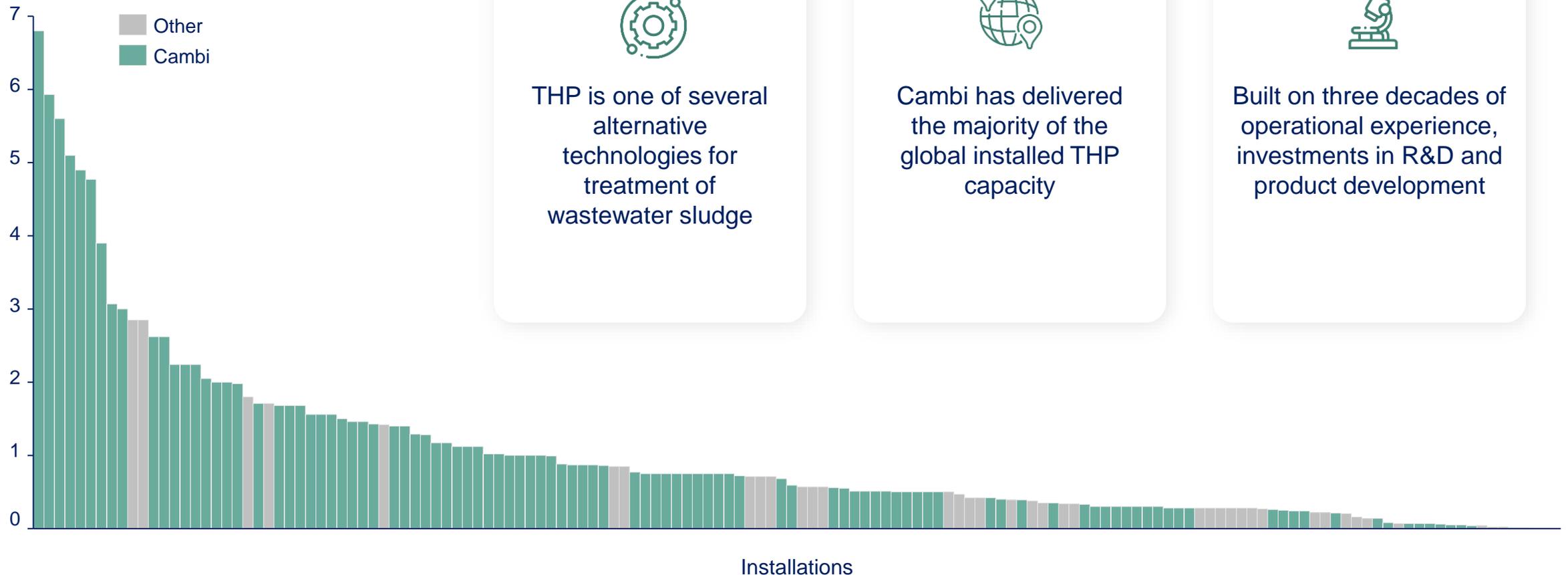
Wastewater treatment plant capex 2023 by region



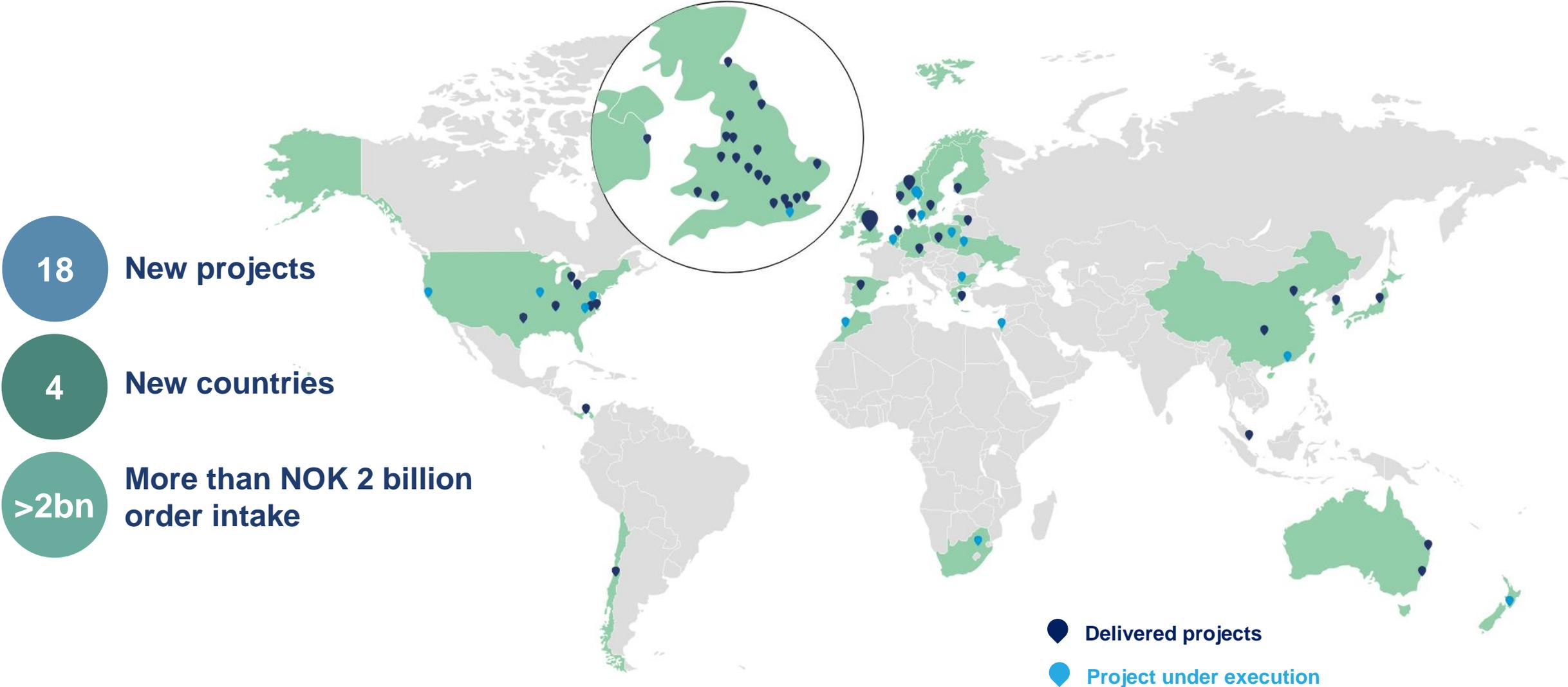
Cambi operates in a large market, which is expected to grow significantly towards 2030

# After more than 30 years of developing thermal hydrolysis, Cambi has delivered most of the global installed capacity today

**Global installed THP capacity**  
million people equivalent per installation



# Solid market penetration and growth since the 2021 IPO



# The achieved market penetration in selected markets shows the significant potential for our technology globally

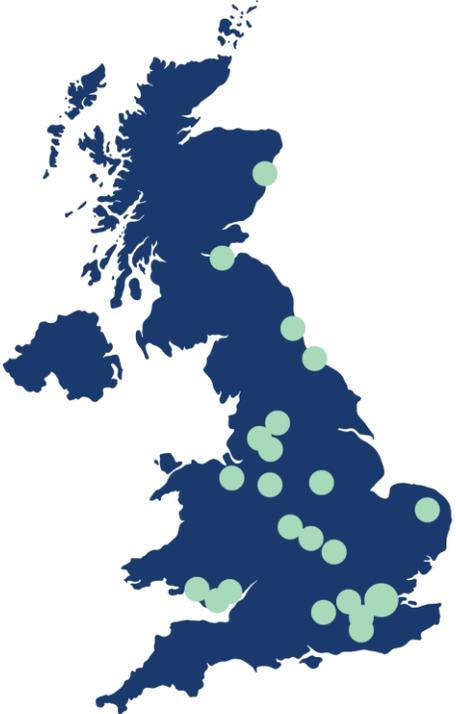
People serviced by installed capacity

Share of population served by Cambi:

United Kingdom



50%



People: **67.7 million**, Cambi references: **25**

Share of population served by Cambi:

Norway



40%



People: **5.4 million**, Cambi references: **9**



CONVERSATION:  
**NORTH  
AMERICAN  
MARKET**

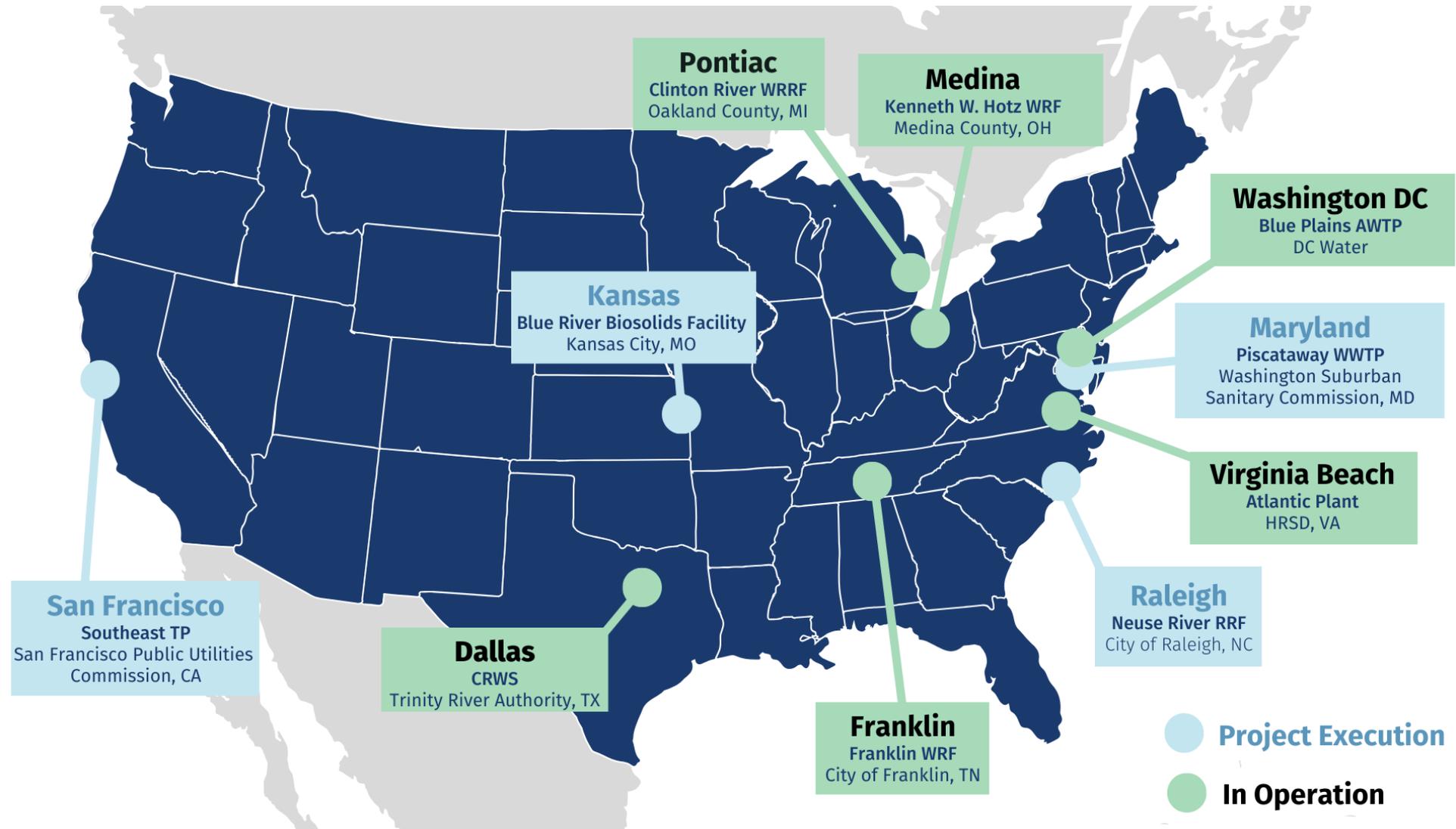
**CAMBI**

# It has taken time to develop the North American market, but the plant delivery for DC Water in 2014 was a turning point for Cambi

Timeline of signed references in North America



# In North America, Cambi's THP references have the capacity to handle the wastewater sludge for more than 15 million people



Large addressable market  
of more than 3,000 plants  
has been identified

Identified targets

3,000+

Sales pipeline

350+

Reference plants

86

# To concentrate our efforts, Cambi will focus less on Design-Build-Operate projects

Cambi will reduce our strategic efforts to actively seek plant ownership



**Neutrality.** Desirability of staying neutral in public tenders and offering our solutions to all bidders



**New go-to-market strategy.** Focusing efforts on activities that result in the most adaptation of THP worldwide





# SCALABLE PLATFORM POSITIONED FOR FUTURE DEVELOPMENT

**CAMBI**

# New financial reporting structure will improve alignment between company strategy, operations, and financials

## Technology

Sales, R&D, manufacturing and delivery of world-class technology for sludge treatment



## Solutions

Value-adding services beyond delivery of world-class sludge treatment technology





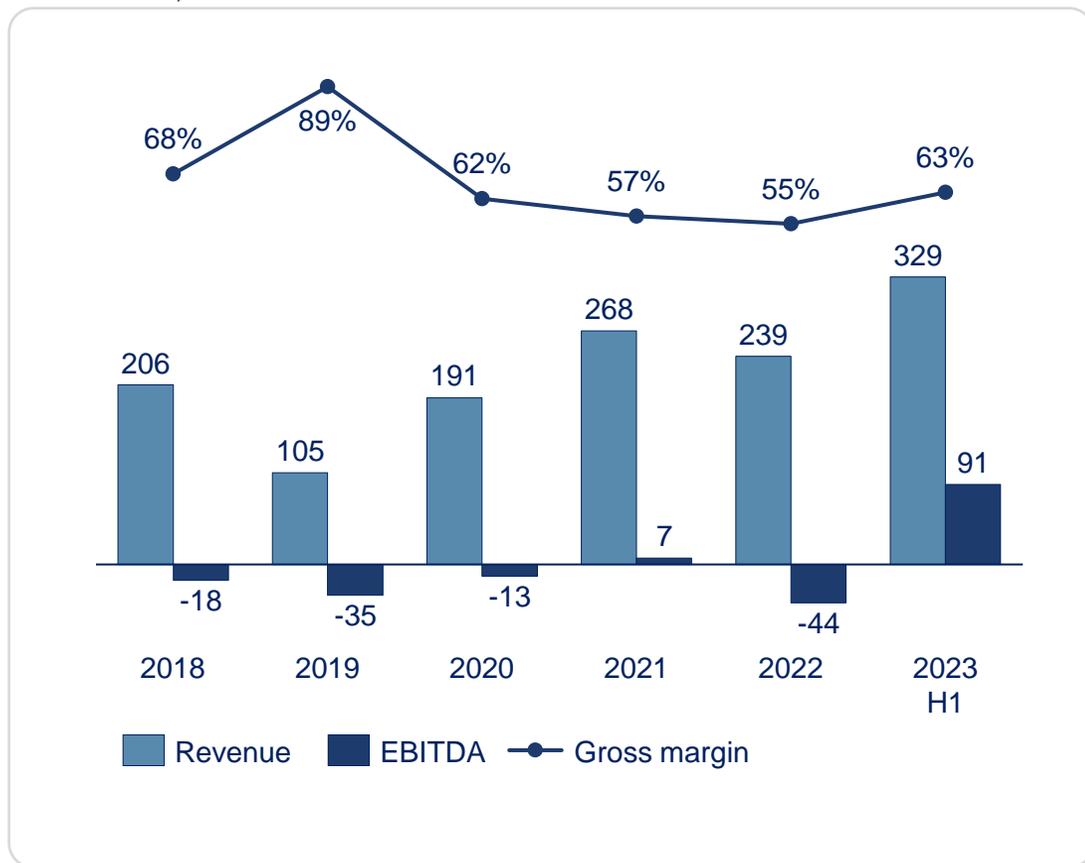
## The Technology segment covers all phases leading up to the installation of our technology

- Sales, manufacturing and delivery of THP installations to clients globally
- Covering a broad range of sludge line equipment scopes
- From subcontractor to engineering, procurement, and construction
- Further innovate the technology platform through R&D
- Acquiring complementary technologies to broaden product portfolio
- Financial performance expected to have variations

# Historical financials for Technology segment shows a long-term positive trend, with variations between reporting periods

## Historical key financials

NOK million, not audited



## Profit & Loss statement

NOK million, not audited

TECHNOLOGY	2018	2019	2020	2021	2022	2023 H1
Revenue	206	105	191	268	239	329
COGS	66	11	73	114	107	121
<b>Gross margin</b>	<b>139</b>	<b>94</b>	<b>118</b>	<b>153</b>	<b>132</b>	<b>208</b>
Payroll	88	84	89	99	105	62
Other expenses	69	45	42	46	71	54
<b>Operational expenses</b>	<b>157</b>	<b>129</b>	<b>131</b>	<b>146</b>	<b>176</b>	<b>117</b>
<b>EBITDA</b>	<b>-18</b>	<b>-35</b>	<b>-13</b>	<b>7</b>	<b>-44</b>	<b>91</b>

# Cambi offers standardized and modular technology solutions that can be scaled to fit any customer need

## Portfolio of standardized THPs

### B2



#### Small projects

50-250 thousand people equivalent

Containerized footprint. Delivered on one skid in one transport

Installation takes one week, commissioning can be done within two-three weeks

**10 process trains delivered**

### B4/B6



#### Medium to large projects

From 250 thousand people equivalent

Transported to site with eight truck transports in modules

Installation takes three weeks and commissioning can be done within two-three weeks

**43 process trains delivered**

### B12



#### Extra large projects

From 1 million people equivalent

Components assembled on site

Installation time is two to three months. Commissioning takes three-four weeks

**59 process trains delivered**

# We have continued our standardization efforts beyond the delivery of core thermal hydrolysis solution for our customers

*Greenfield*  
**Standardized sludge line**

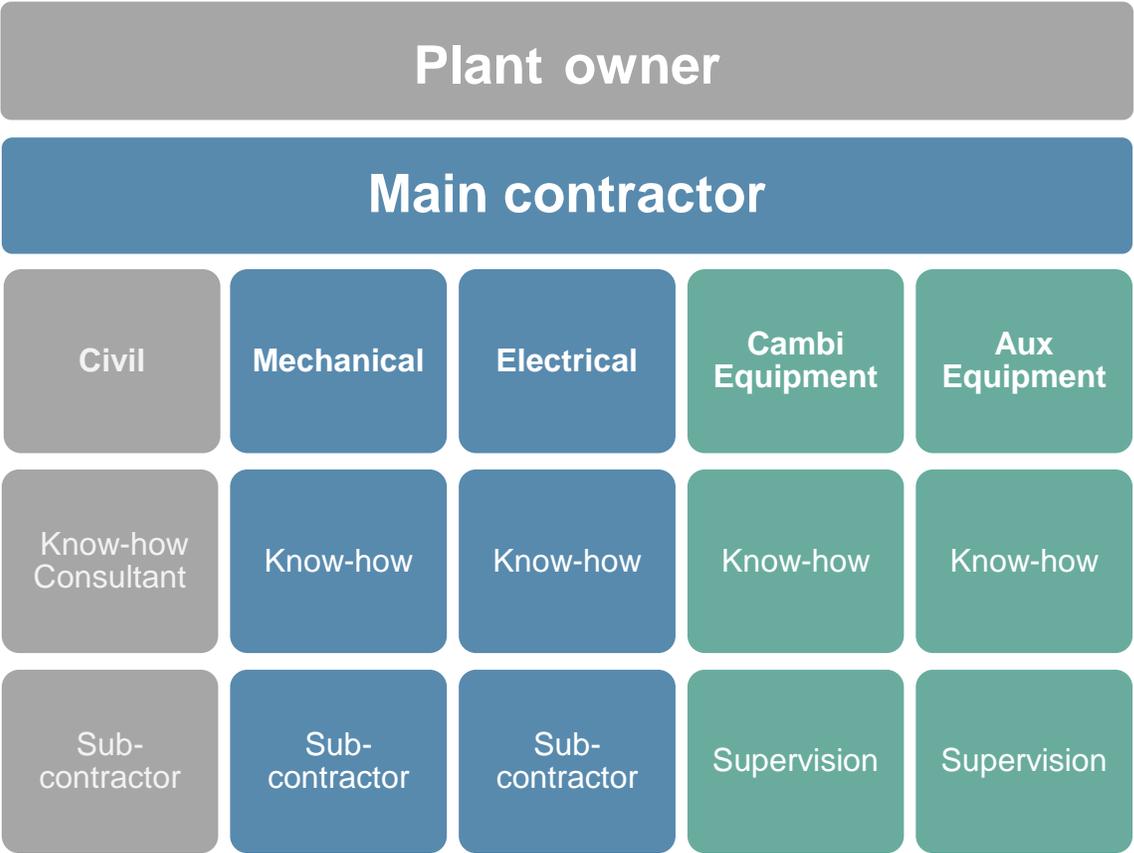


*Brownfield*  
**Standardized THP system for retrofit**



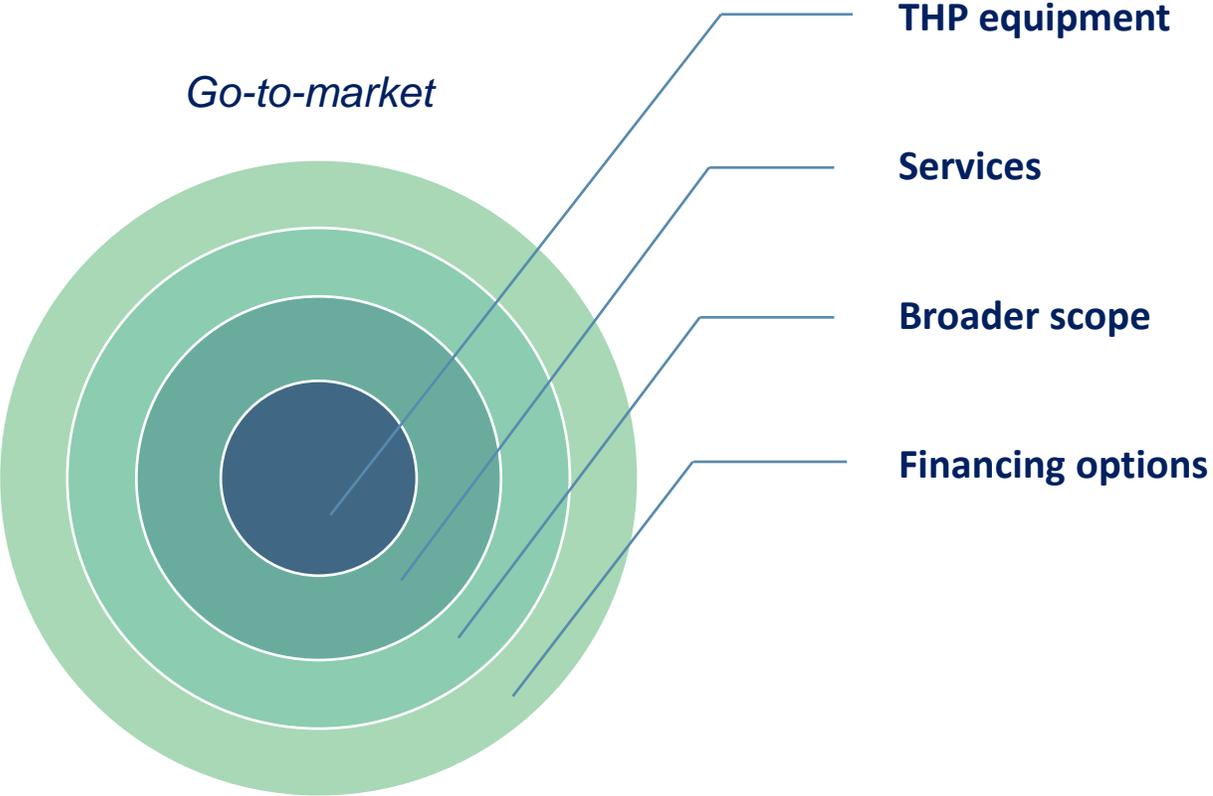
# Cambi has a flexible delivery model, able to deliver both as a subcontractor for THP equipment and as the main contractor

*Engineering, Procurement and Construction*



- Core scope for Cambi
- Main contractor scope for Cambi (incl. core scope)

# Cambi will always seek to engage in activities that result in the most adaptation of THP





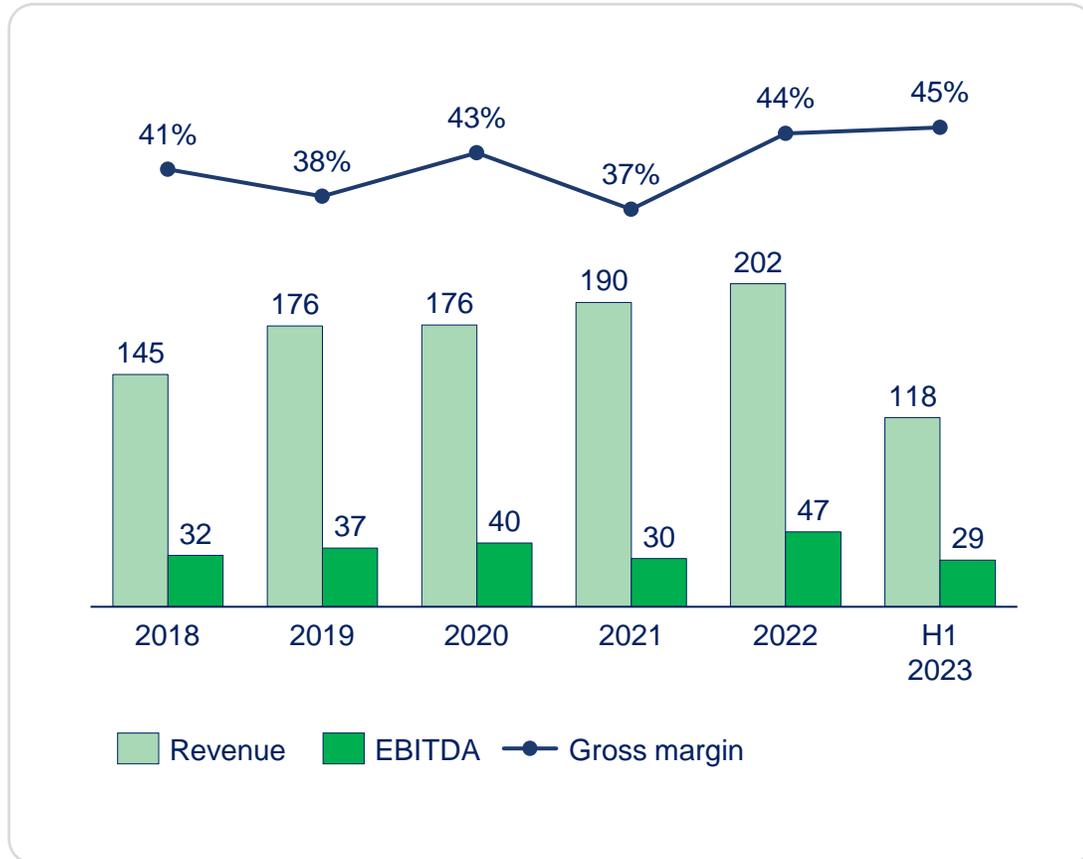
## The solutions segment consists of value-adding services after the technology is delivered

- Maintenance, repairs and operations support
- Upgrades and modifications of technology platform
- Expert support and optimisation analytics
- Recycling biosolids into organic resources for agriculture
- Producing value-added soil blends for consumer market
- Financial performance expected to be stable and predictable

# Historical financials from the Solutions segment show a predictable, stable and upward-trending development

## Historical key financials

NOK million, not audited



## Profit & Loss statement

NOK million, not audited

SOLUTIONS	2018	2019	2020	2021	2022	H1 2023
Revenue	145	176	176	190	202	118
COGS	86	108	101	119	112	65
<b>Gross margin</b>	<b>59</b>	<b>68</b>	<b>75</b>	<b>71</b>	<b>90</b>	<b>53</b>
Payroll	18	20	21	23	25	13
Other expenses	9	11	14	18	18	11
<b>Operational expenses</b>	<b>27</b>	<b>31</b>	<b>35</b>	<b>41</b>	<b>43</b>	<b>24</b>
<b>EBITDA</b>	<b>32</b>	<b>37</b>	<b>40</b>	<b>30</b>	<b>47</b>	<b>29</b>

# Five key focus areas will lead to further growth of the Solutions segment

1

Expansion of  
Grønn Vekst

2

Expansion of  
essential services  
for installed base

3

Development of  
operations &  
maintenance  
offering

4

Rolling out remote  
monitoring &  
analytics

5

Professionalization  
of expert support &  
optimisation  
services



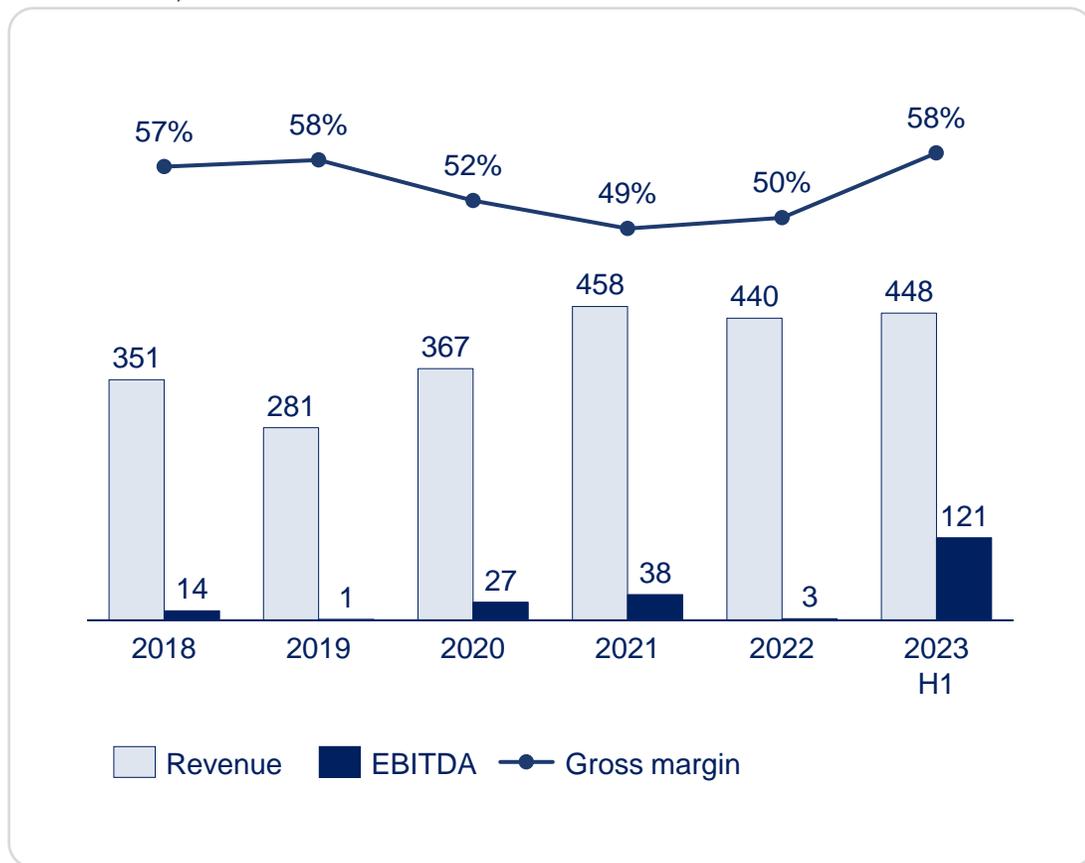
**ROBUST FINANCIAL  
PERFORMANCE  
ENABLING  
SHAREHOLDER  
DIVIDENDS**



# Historical consolidated financials for Cambi ASA show a positive and upward-trending development in key financials

## Historical key financials

NOK million, not audited



## Profit & Loss statement

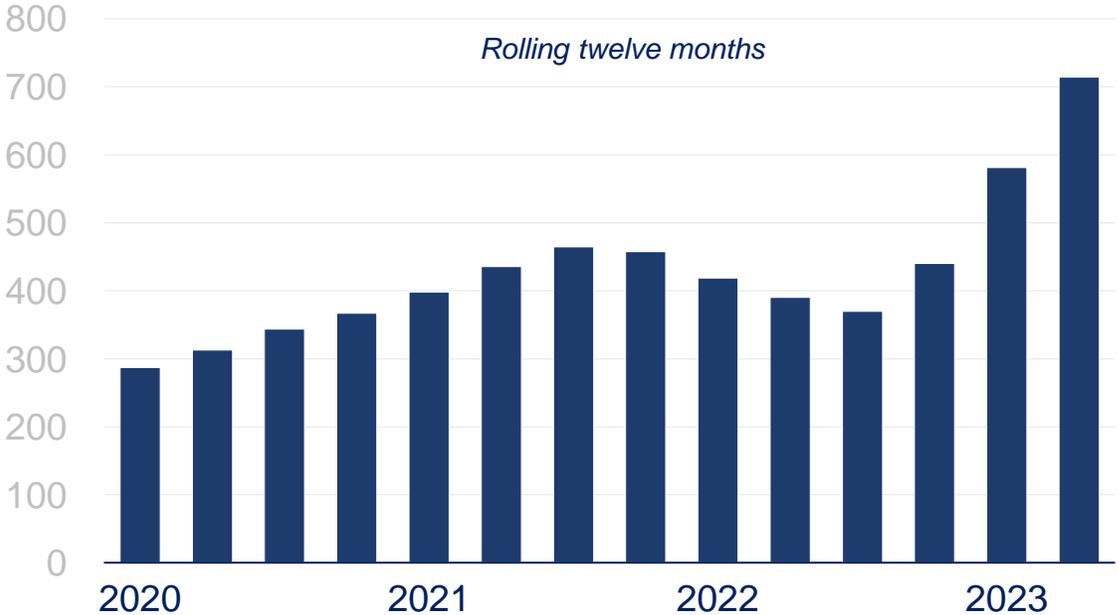
NOK million, not audited

Group	2018	2019	2020	2021	2022	2023 H1
Revenue	351	281	367	458	440	448
COGS	152	119	175	234	219	186
<b>Gross margin</b>	<b>199</b>	<b>161</b>	<b>192</b>	<b>224</b>	<b>222</b>	<b>261</b>
Payroll	106	104	110	122	130	76
Other expenses	79	56	56	64	89	65
<b>Operational expenses</b>	<b>185</b>	<b>160</b>	<b>166</b>	<b>186</b>	<b>219</b>	<b>141</b>
<b>EBITDA</b>	<b>14</b>	<b>1</b>	<b>27</b>	<b>38</b>	<b>3</b>	<b>121</b>

# The consolidated financials show a positive long-term trend when viewed in a rolling last twelve months period

## Revenue per quarter

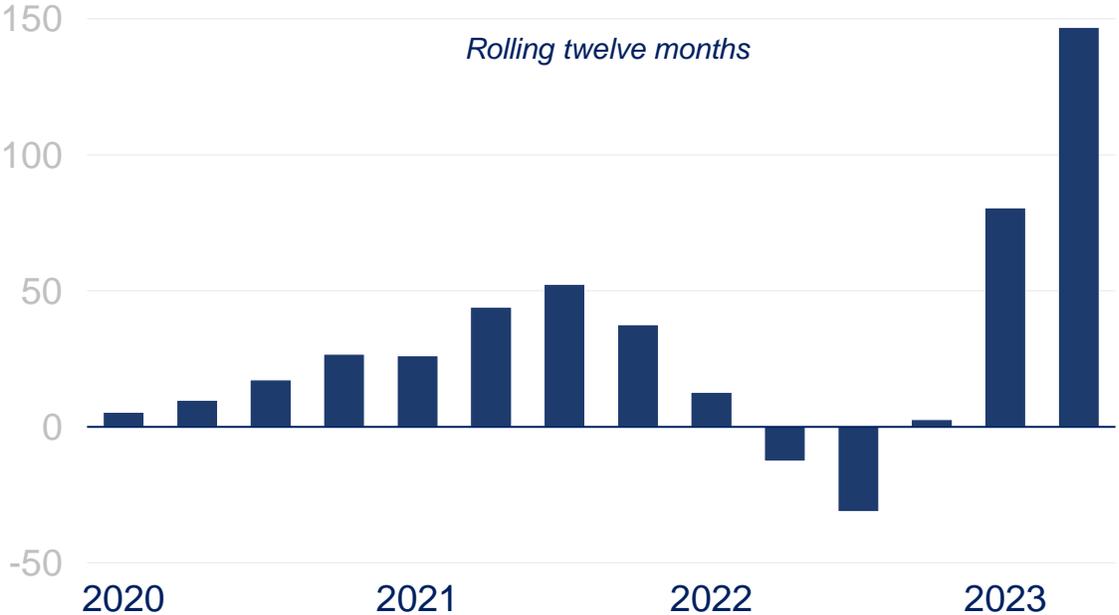
NOK million, not audited



- Stable and highly positive development with group totals, but with some fluctuations

## EBITDA per quarter

NOK million, not audited



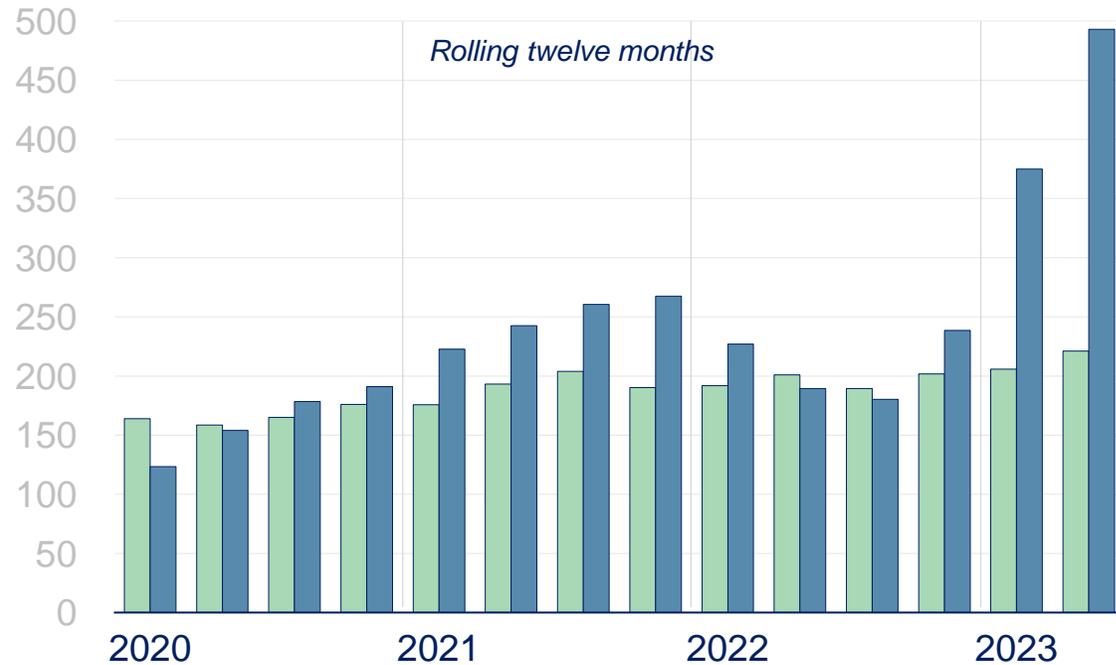
- The EBITDA-development at group level are correlating with fluctuations in revenue

# Solutions segment is stable and predictable, while the Technology segment drives the variations in financial figures

## Revenue per quarter

NOK million, not audited

■ Solution ■ Technology

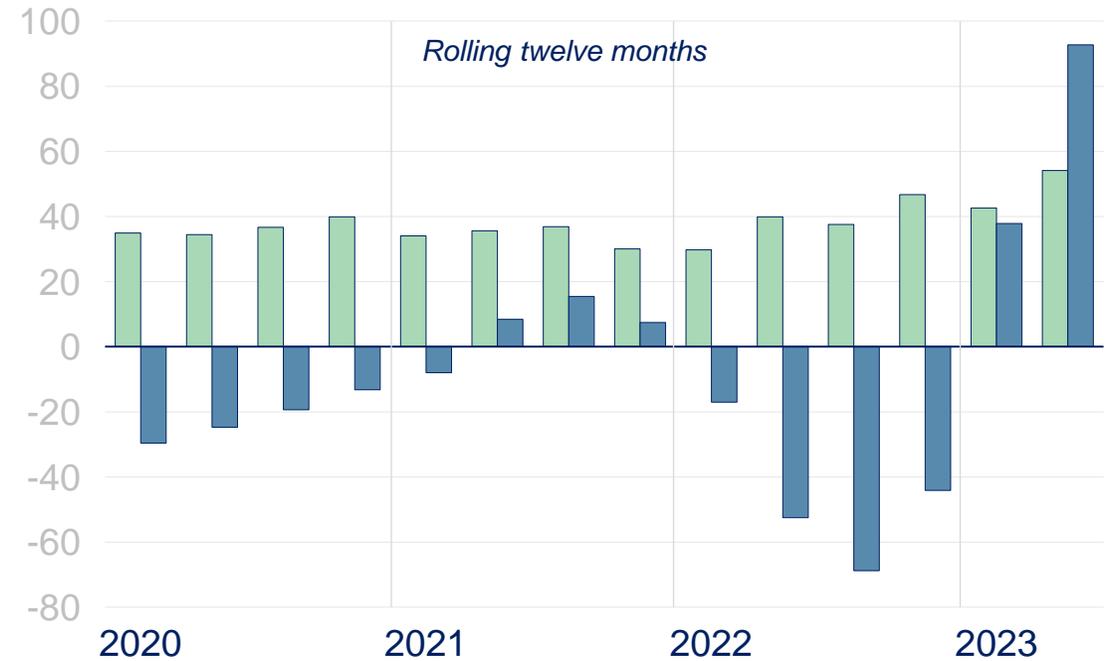


- Unevenly distributed Technology segment

## EBITDA per quarter

NOK million, not audited

■ Solution ■ Technology

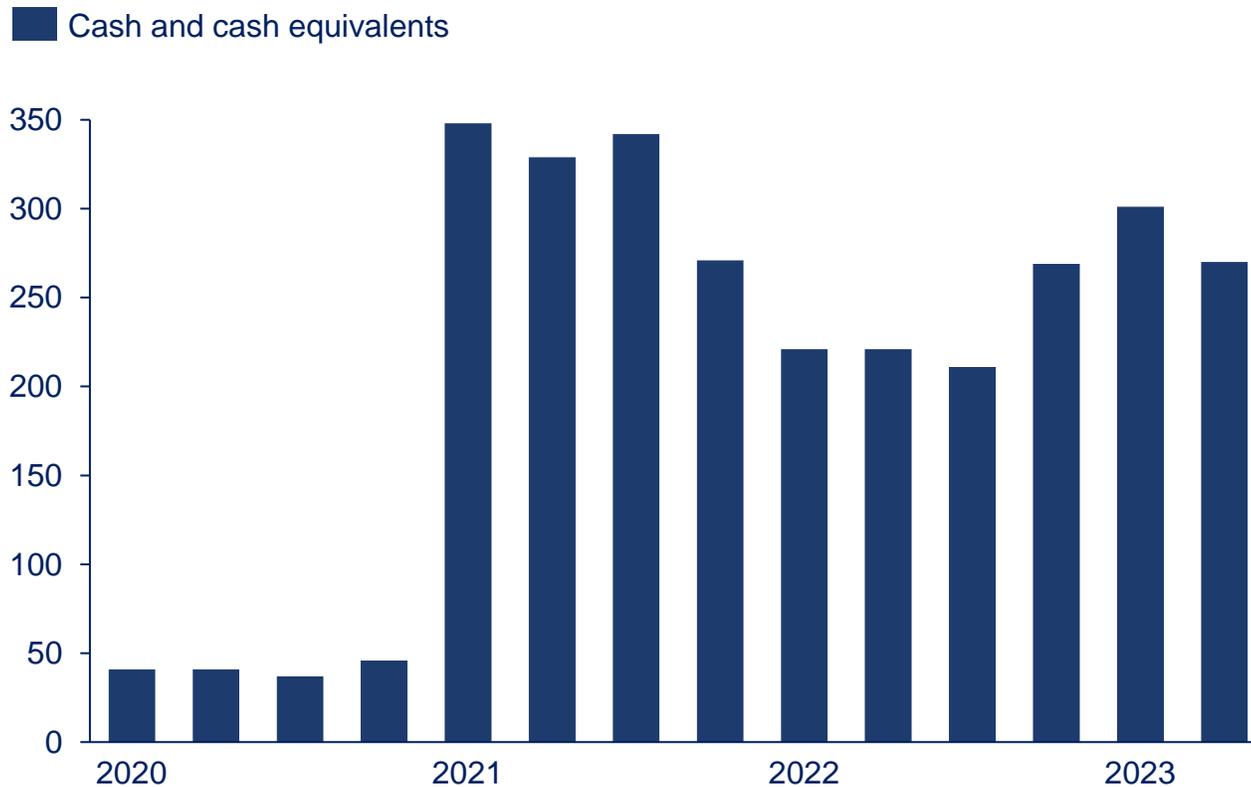


- Stable and predictable Solutions segment

# Cash balance post IPO has been solid, supporting a strong financial position

## Cash development per quarter

NOK million



## Selected events post IPO

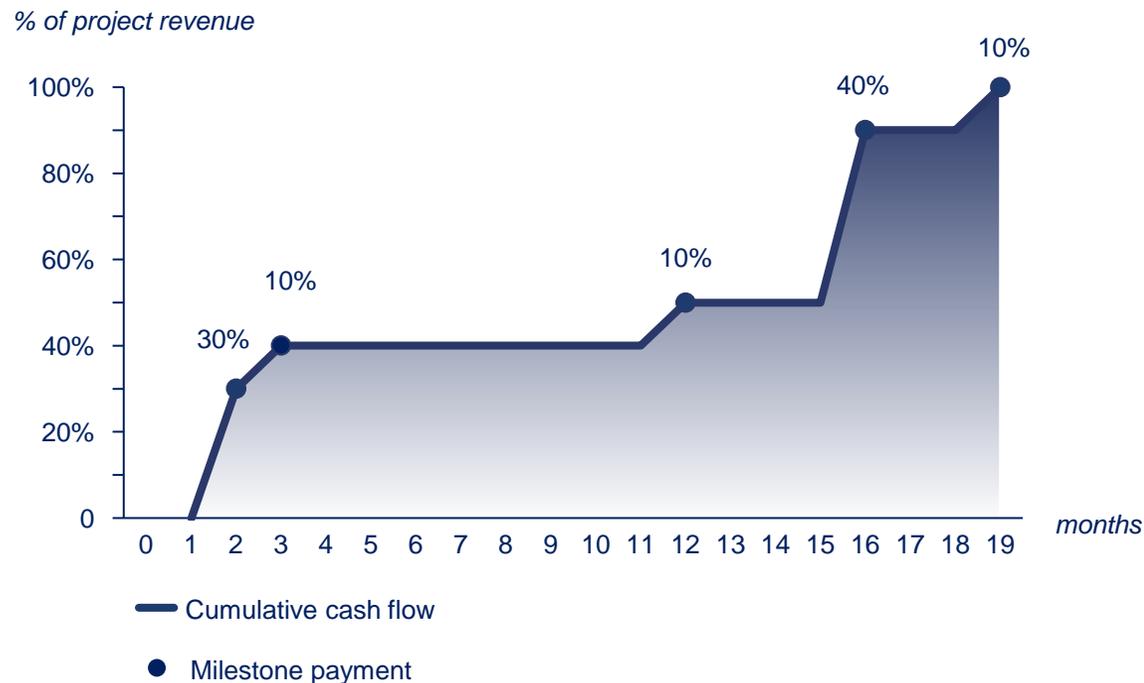
Acquisition of Veolia technology portfolio

Investment in peat-free soil packing facility

Dividend distribution

# Milestone payment schedules vary, but normally provide sufficient funds to remain cash positive during project delivery

Example of milestone payment month-by-month



## Example of milestone payment triggers

- › Commencement date
- › Documentation for execution
- › Equipment pressure testing
- › Delivery of main components at assembly site
- › Installation complete
- › Commissioning on water/sludge complete

# Extraordinary dividend proposed, driven by the change in strategic direction

1

## **An extraordinary dividend**

of NOK 96 million (NOK 0.60 per share) has been proposed by the Board, driven by the change in strategic direction

2

## **Subject to approval**

of an Extraordinary General Meeting scheduled at 29 September 2023

3

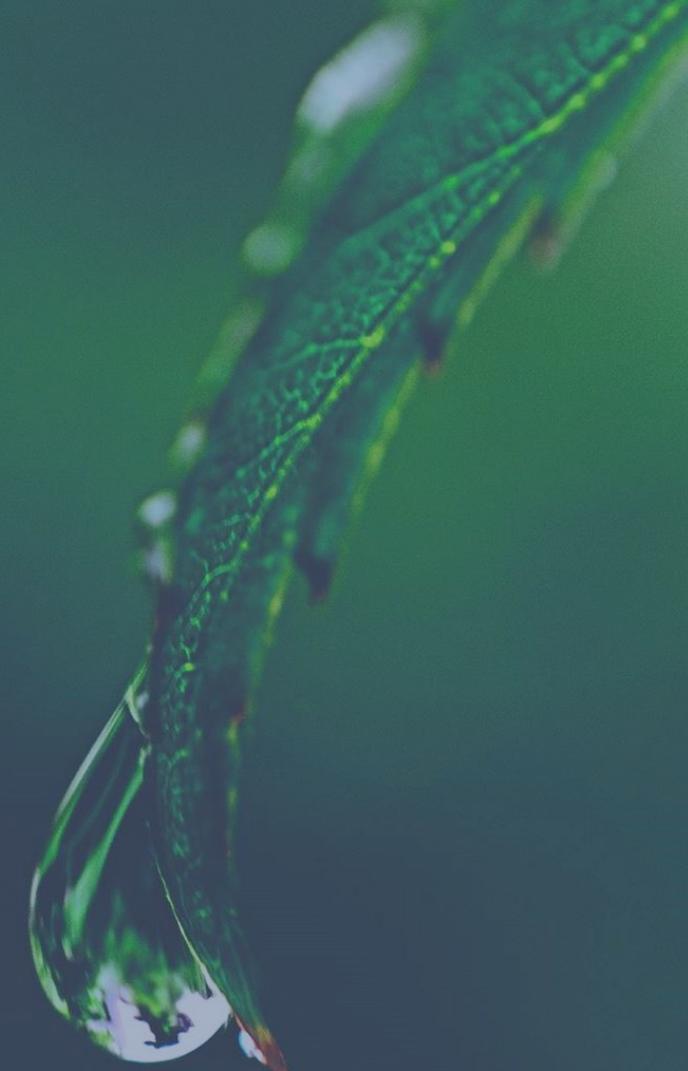
## **Adding to the ordinary dividend**

making the total dividend 0.75 NOK per share in 2023

An extraordinary dividend  
has been proposed of

**NOK**  
**0.60**  
per share

**Cambi intends to distribute 60-80% of net profits in 2023 and 2024 as dividends**



# Cambi is strongly positioned for value creation

Capital Markets Update 2023

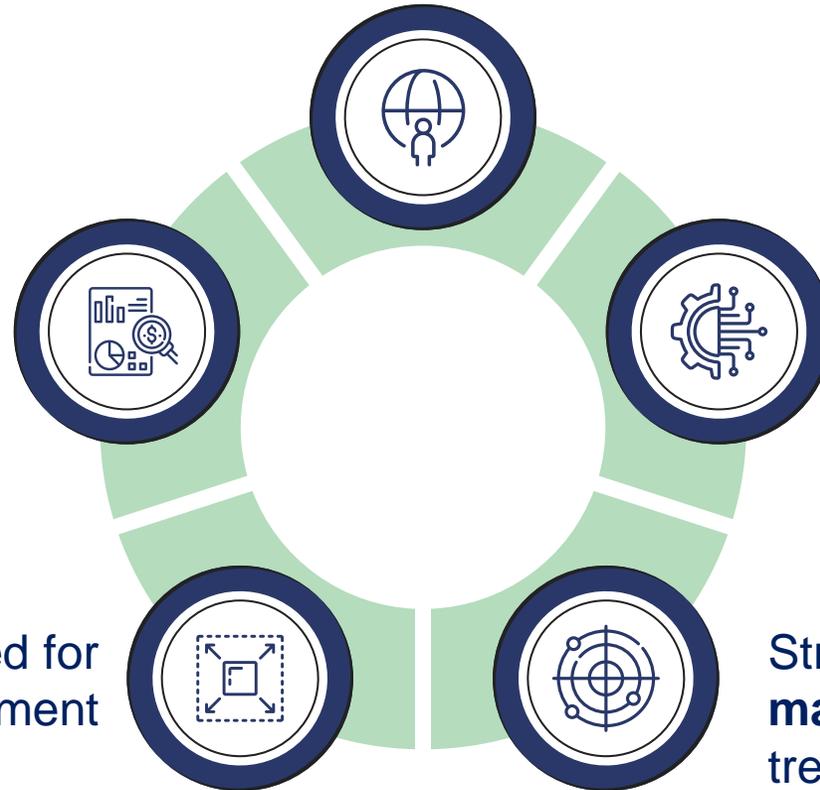
**Global leader** in wastewater sludge treatment solutions with solid track record

**Robust financial** performance enabling shareholder dividends

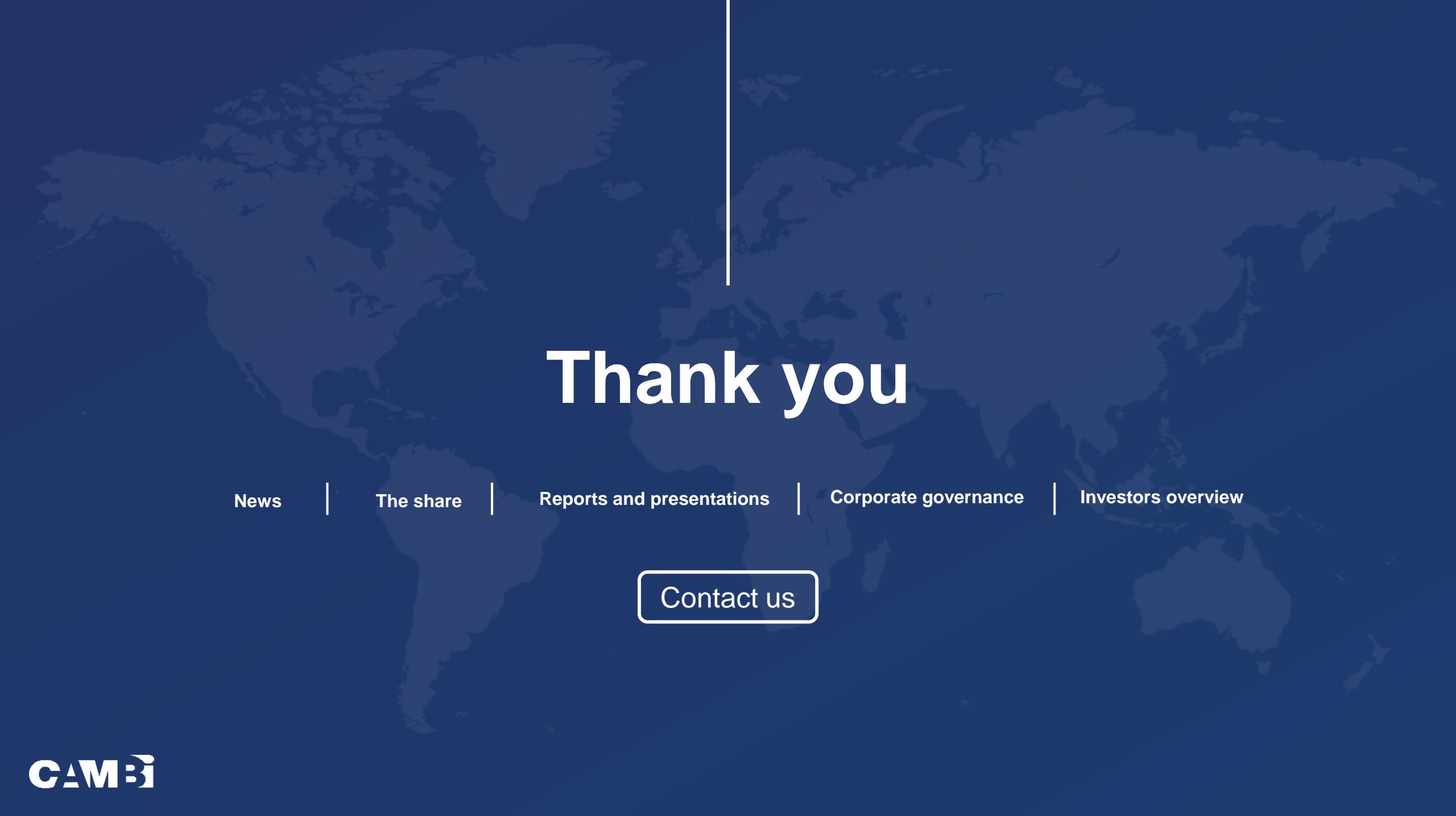
**Scalable platform** positioned for future development

**Proven thermal hydrolysis technology** with unique value proposition

Strongly positioned in **attractive market** supported by macro trends



# Q&A

A dark blue background featuring a faint, light blue world map. A vertical white line descends from the top center of the page.

# Thank you

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