

# Cambi ASA

## Q4 2020

9 March 2021

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# With you today



**Eirik Fadnes**

CEO of Cambi Group



**Maarten Kanters**

Managing Director of Cambi Invest



**Andreas Lillebø**

COO of Cambi Group

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financial review

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# This is Cambi

Solutions enabling a swift transition to sustainable communities



## Customer focus

Trusted partner

Full support throughout 2020

High customer satisfaction score



## Quality

Reliable operations

Standard modular products

CE/ASME compliant

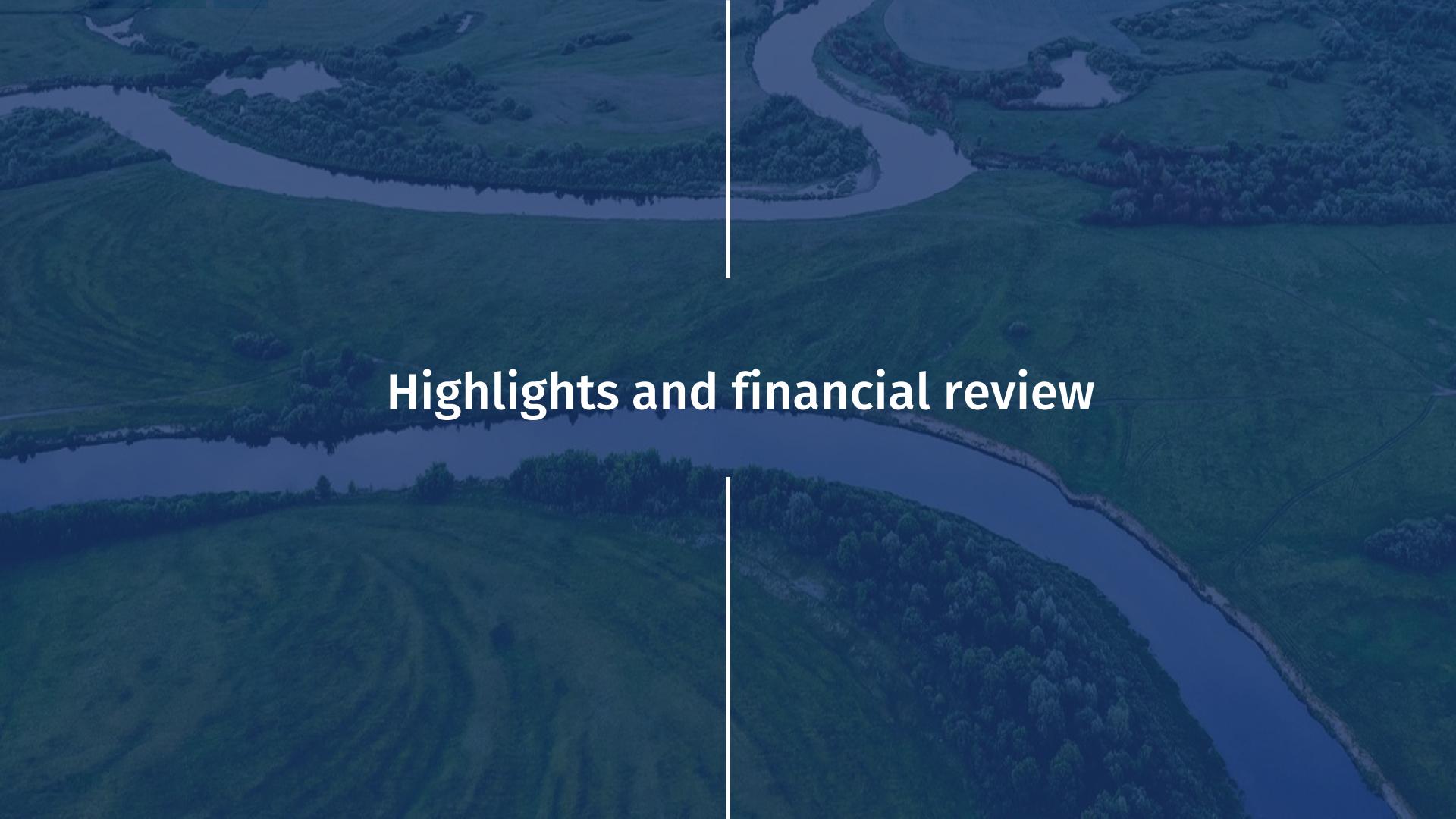


## Integrity

Accountable

Honest and transparent

Positive local and global impact

The background of the slide is a high-angle aerial photograph of a river system. The river flows from the top left towards the bottom right, creating several loops and small islands. The surrounding land is a mix of dark green forested areas and lighter green agricultural fields. The overall scene is a natural landscape with a focus on water and land. 

## Highlights and financial review

# Cambi was successfully listed on EURONEXT

9 February 2021

- Private placement raised NOK 302 million of growth capital
- DNB Asset Management and Handelsbanken Fonder as cornerstone investors
- Honoured by strong interest from Nordic, European and global investors
- Five times oversubscribed



**Committed to create value for new and existing shareholders**

# 2020 ended the second-highest order intake in history

First contracts in Ukraine and Hong Kong, two new contracts in both the USA and UK

Q4



Lviv, Ukraine

New thermal hydrolysis sludge treatment plant



Gaoantun, Beijing, China

Upgrade to improve operations and process performance



Norsk Gjenvinning, Larvik

Handling and composting garden waste



Two recycling contracts near Oslo

Handling garden waste and sludge, respectively

Q3



Piscataway, near Washington DC, USA

Q2



Shek Wu Hui, Hong Kong, China



Neuse River, Raleigh, NC, USA



Recycling contracts in Drammen and Larvik

Q1



Stoke Bardolph. Nottingham, UK



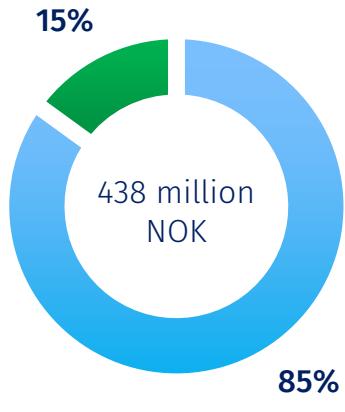
Finham, Coventry, UK

First contract in new market

# Strong and well-distributed backlog

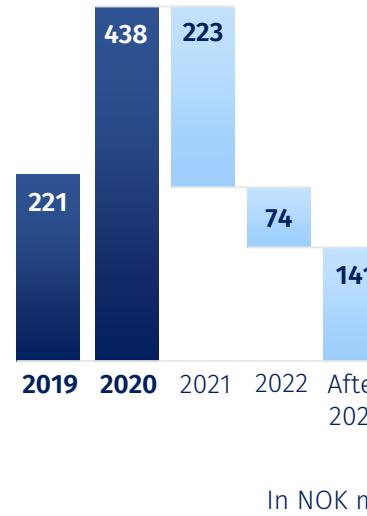
Cambi ASA

Backlog by segment



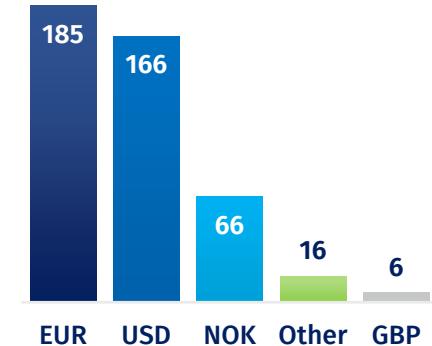
■ Cambi Group ■ Cambi Invest

Backlog distribution



In NOK million

Backlog by currency



In NOK million, equivalent  
at YE20 FX

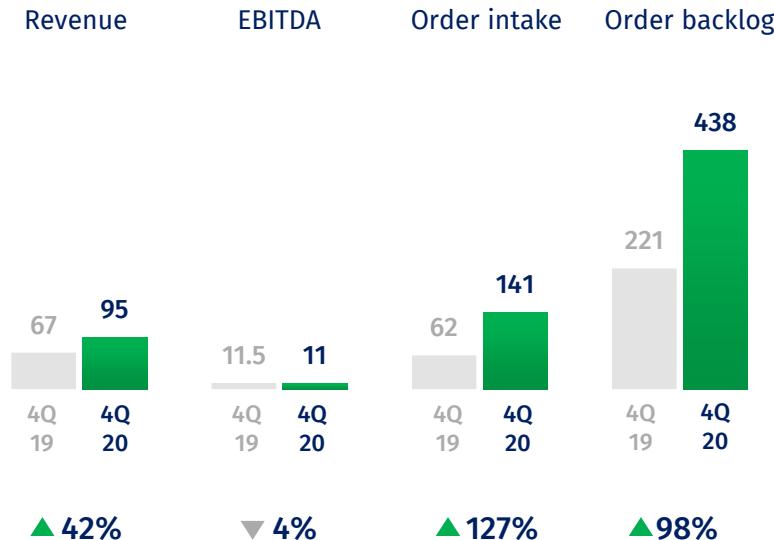
Includes options making up c. NOK 18 million of the Grønn Vekst backlog as of Q4 2020. Over the past years, close to 100% of options have been exercised. Note that until options are exercised, there can be no assurance that the projects will be realised.

# Resilient performance from Services and Recycling

Financial highlights - Cambi ASA

## Q4 2020

in NOK million



## 2020

in NOK million



# Cambi holds a solid financial position

Assets	31 December 2020	31 December 2019
Intangible assets	45.4	43.4
Tangible fixed assets	20.2	17.5
Financial assets	2.1	7.3
<b>Fixed assets</b>	<b>67.7</b>	<b>68.2</b>
Inventories	27.3	20.9
Debtors	141.5	121.5
Bank deposits	46.0	125.2
<b>Current assets</b>	<b>214.7</b>	<b>267.6</b>
<b>Total assets</b>	<b>282.4</b>	<b>335.8</b>

Equity and Liabilities	31 December 2020	31 December 2019
Paid-in capital	20.7	20.7
Retained earnings	117.7	113.4
<b>Equity</b>	<b>138.4</b>	<b>134.1</b>
Long-term liabilities	14.7	20.3
Short-term liabilities	129.3	181.4
<b>Liabilities</b>	<b>144.0</b>	<b>201.7</b>
<b>Total equity and liabilities</b>	<b>282.4</b>	<b>335.8</b>

# Well-positioned for long-term sustainable growth

First contracts in Ukraine and Hong Kong. Strong pipeline of active projects.

Strong and well-distributed backlog

Resilient performance from Services and Recycling

Strong balance sheet supporting growth plan

## Outlook

- Based on February FX rates expect full year revenue of NOK 480 - 510 million
- EBITDA margin between 12 and 14 per cent

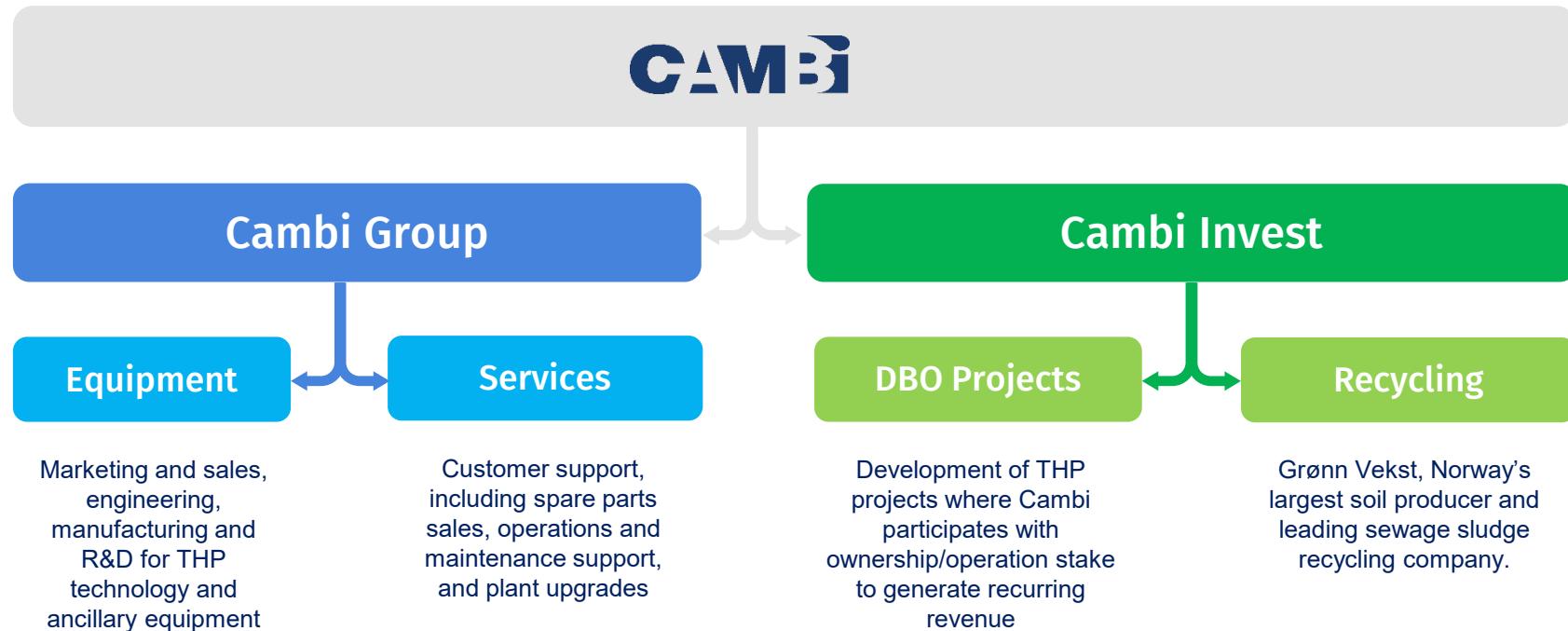


The image shows a large industrial complex, likely a chemical or petrochemical plant. It features a dense network of stainless steel storage tanks of various sizes, interconnected by a complex system of white and grey pipes. The tanks are arranged in several rows, with some being taller and more prominent. The facility is situated in an open, sandy or gravelly area with some sparse vegetation. In the background, there are some industrial buildings and a few small structures. The overall impression is one of a large-scale industrial operation.

# Market segments and potential

# Strategic focus on two operating segments

Objective to increase recurring revenue streams from Services, DBO Projects and Recycling



# Cambi is ideally positioned to benefit from macrotrends

As enabler of a swift global transition to sustainable communities



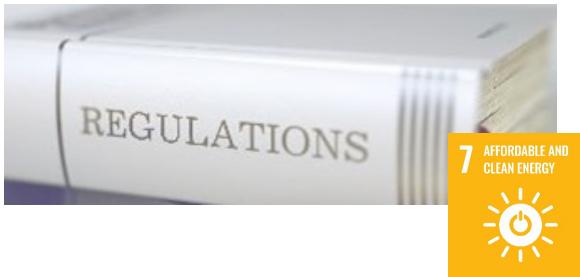
Urbanisation



Moving to a  
circular  
economy



Tightening  
regulations

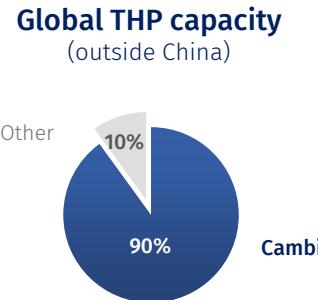


Infrastructure  
investment  
wave

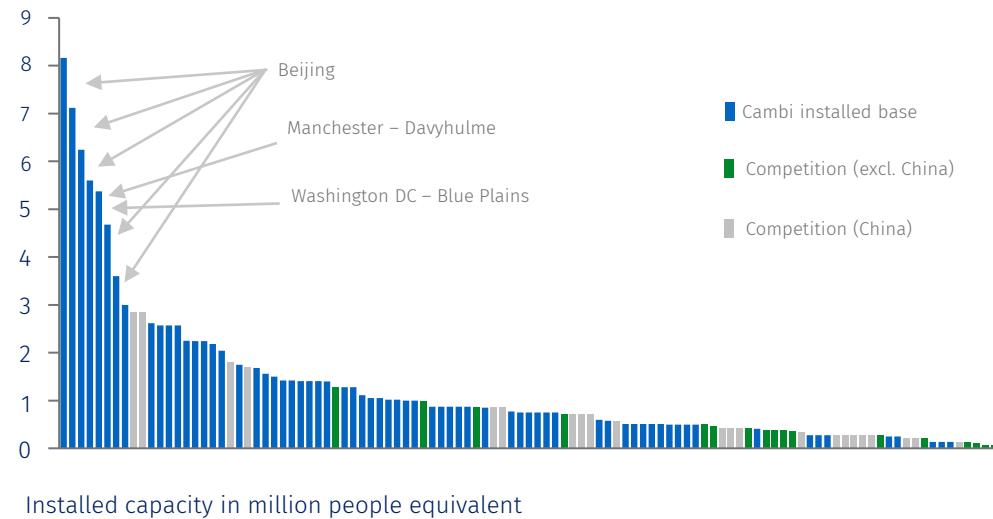


# Equipment sales have always been Cambi's core activity

- Standardised THP plants for both megacities and small municipalities
- In-house manufacturing in the UK, highly scalable production capacity
- Conservative market, but Cambi is increasingly accepted as a “best practice” sludge treatment process



**25 years of thermal hydrolysis,  
a global market created and still dominated by Cambi**

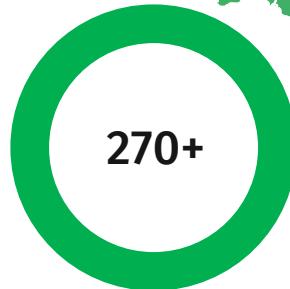


# Tremendous growth potential

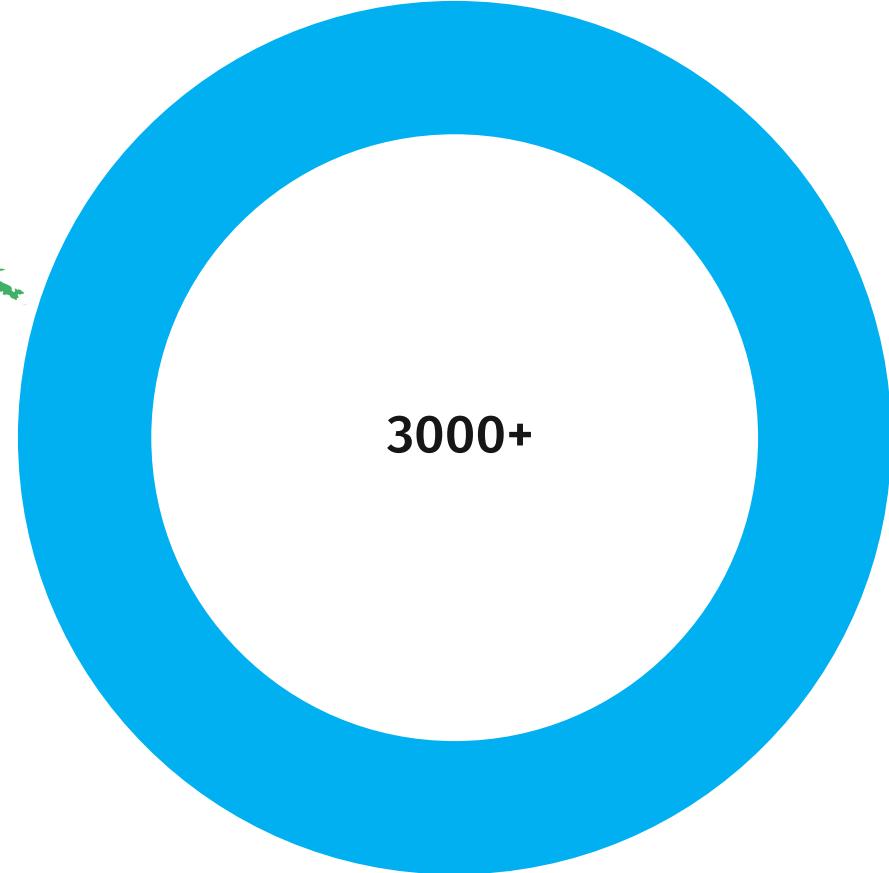
Capitalising on good references



Reference  
plants



Sales pipeline



Identified targets

# Services are growing with the installed base

Upgrades of ageing plants to state-of-the-art standard, operations support, and performance optimisation

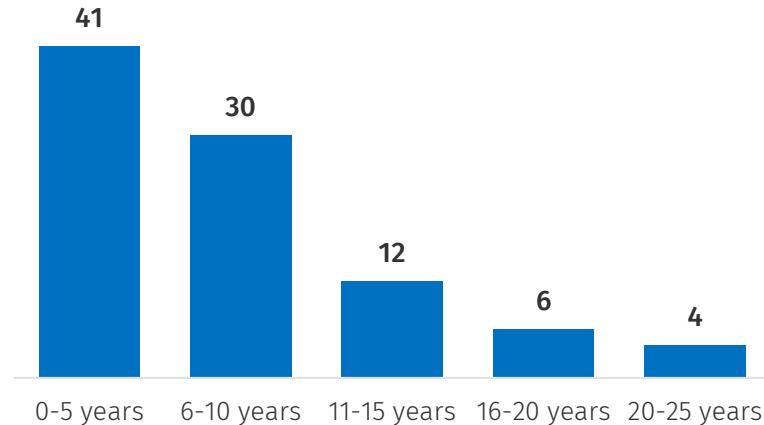
## Upgrade portfolio

- Energy efficiency
- Capacity expansion
- Asset life extension
- Ancillaries
- Tailor-made solutions

## Parts, operational support & advisory

- 90% of customers buy spares for pumps, valves and other wear parts
- Annual maintenance and remote support (PLUS) increasingly in demand

## Cambi THP process trains by years in operation



# Recycling is a resilient pillar for recurring revenue

Grønn Vekst is the market leader for soil products in Norway, with solid growth potential

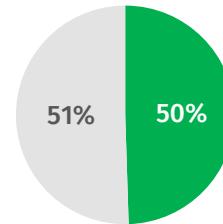
## Grønn Vekst (Norway)

- Recycling of organic resources from households and industry
- Produces high-quality soil products based on compost, as substitutes for peat-based products
- Norway's largest soil producer, with more than 250,000 tons sold in 2020

## Market potential in Norway

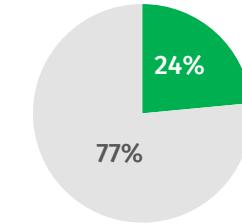
### Upstream market

Total: NOK 101 million



### Bulk soil market

Total: NOK 170 million



## Upstream customers



**GRØNN**  
vekst



## Downstream customers



# Cambi Invest offers financed sludge solutions

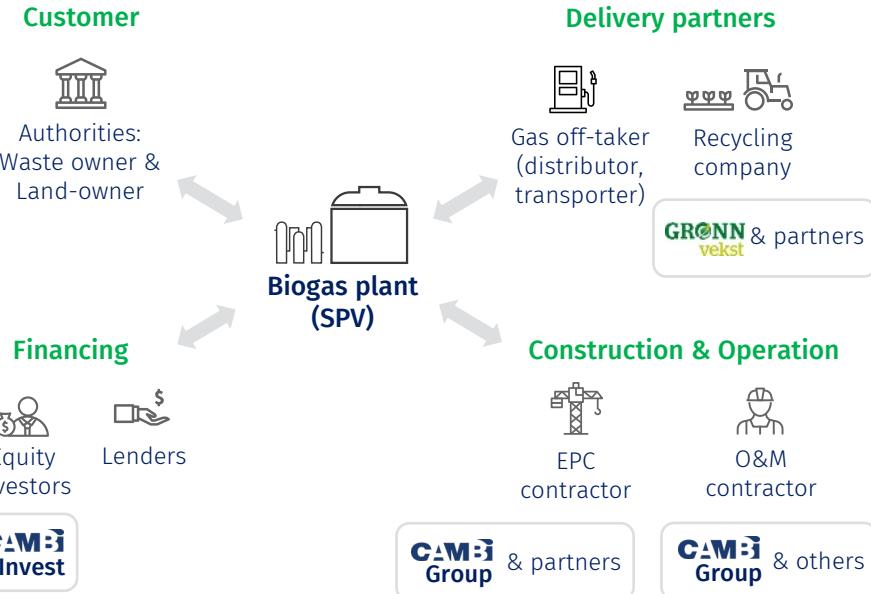
## DBO Projects' – the complete Cambi solution

- Design and Build: optimal THP integration to minimise cost
- Operations: improve plant performance to maximise asset value
- Disposal: reduce sludge handling unit cost by developing markets using Grønn Vekst know-how

## Easier for customers to implement THP

- No CAPEX, pay for service at competitive rates
- Allows focus on the core operations, water and wastewater treatment
- Access the environmental benefits without the (perceived) risks of complex treatment solutions

## DBO contracts to be organized as separate Special Purpose Vehicles (SPV)



# Key focus areas for Cambi going forward

## Marketing

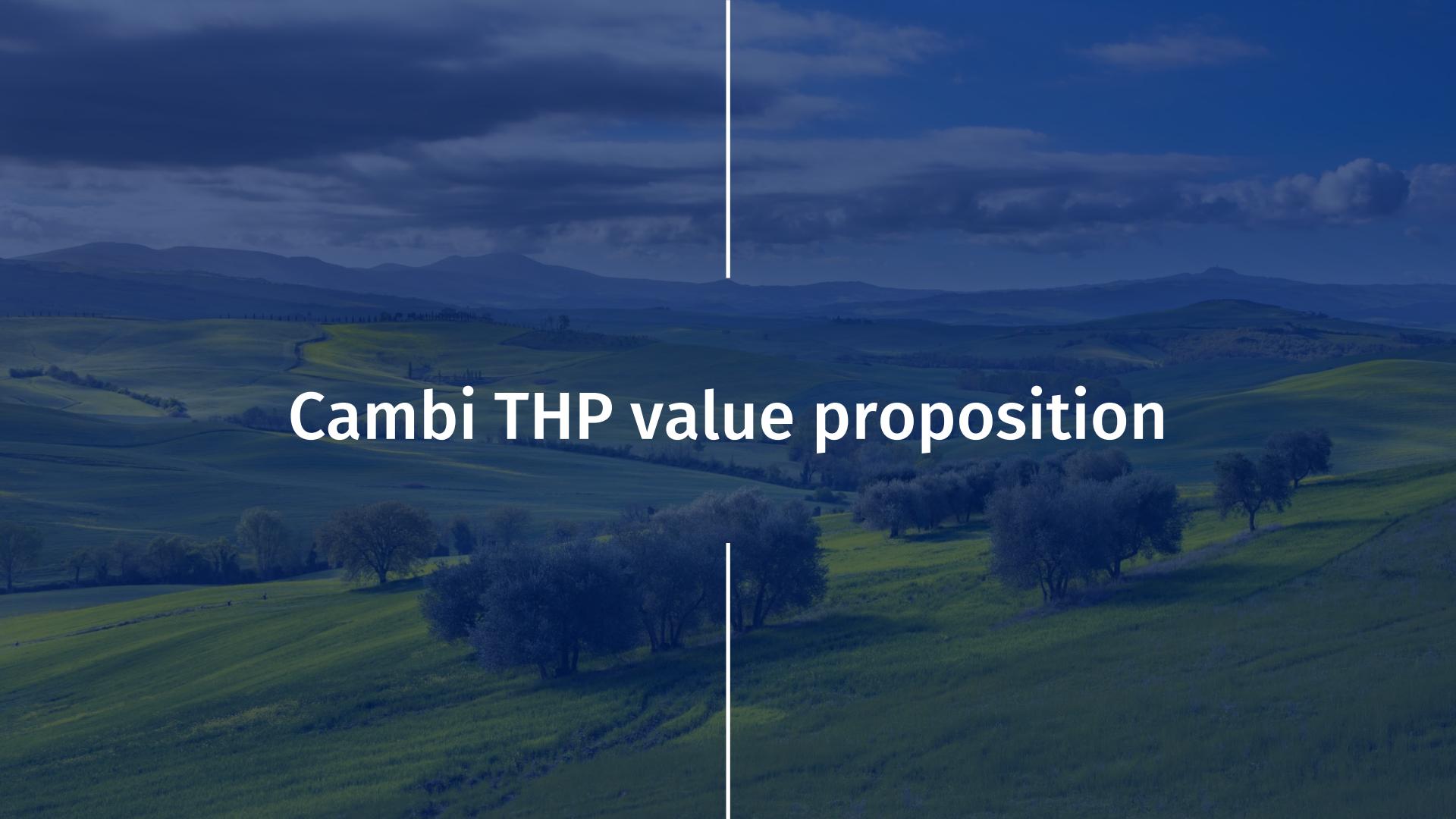
- Increase awareness about Cambi's value proposition
- Expand sales pipeline with new leads in all markets

## Research & development

- Continuously improving process performance
- Optimise integration and resource recovery

## Recurring revenue streams

- Take share of THP value creation in DBO projects
- Grow the Grønn Vekst recycling business internationally



# Cambi THP value proposition

# Cambi THP is the responsible choice



## Better environment

Excellent biosolids. No pathogens

Forget about odour complaints

Lowest carbon footprint



## Solid business case

Value of smaller digesters

Produce more biogas

Pay less for disposal



## Reliable performance

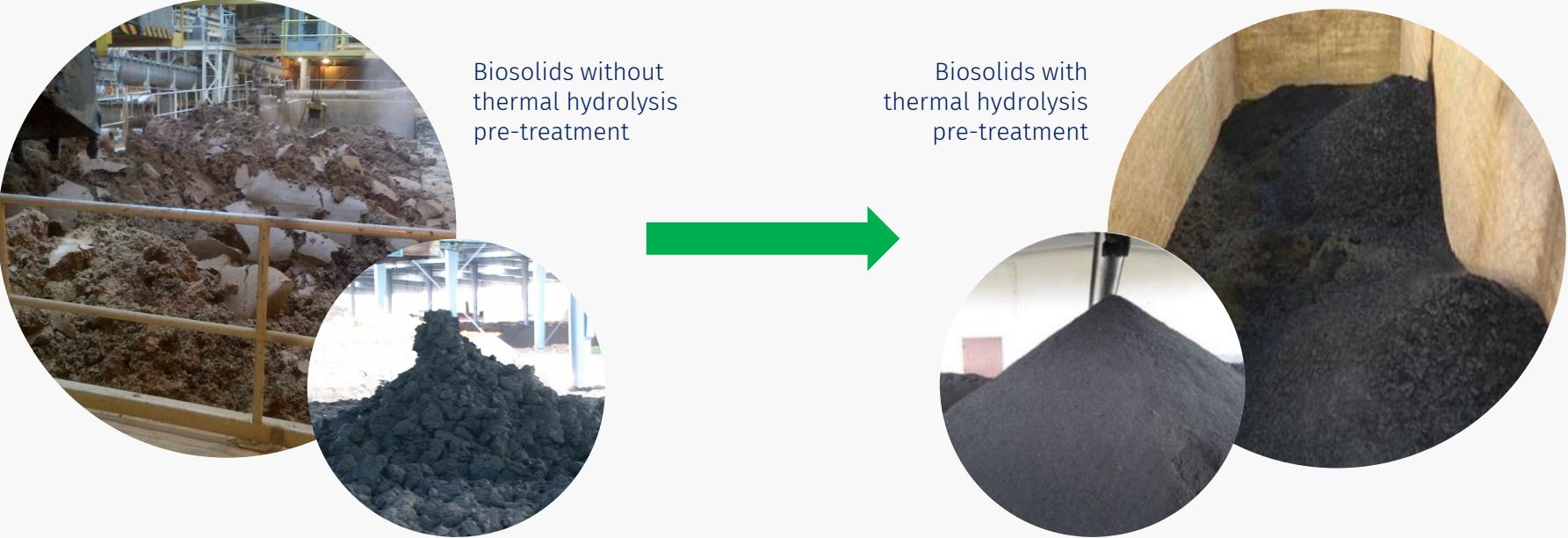
Unmatched uptime

Continuous improvements

Lifelong customer support

# Excellent biosolids quality for safe reuse

Better environment



**Source:** DC Water's resource recycling business enabled by Cambi THP at the Blue Plains WWTP near Washington, DC  
The smaller pictures above are from Slupsk and Bydgoszcz, respectively

# Forget about odour complaints

Better environment



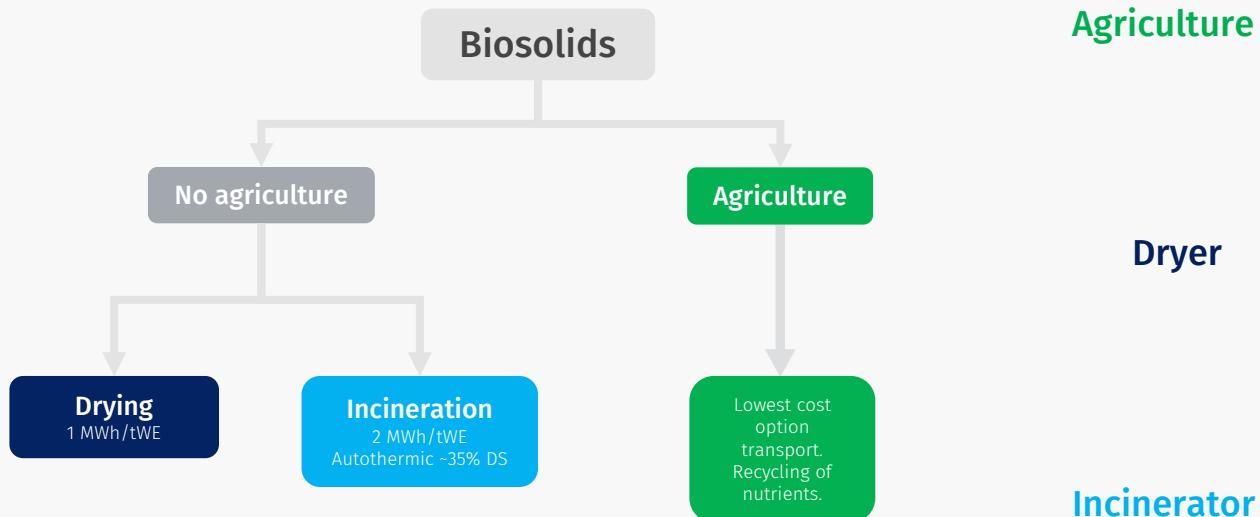
**Biosolids products  
with earthy odour. Safe to handle.**



Source: Bloom Soil, DC Water's resource recycling business enabled by Cambi THP at the Blue Plains WWTP near Washington, DC

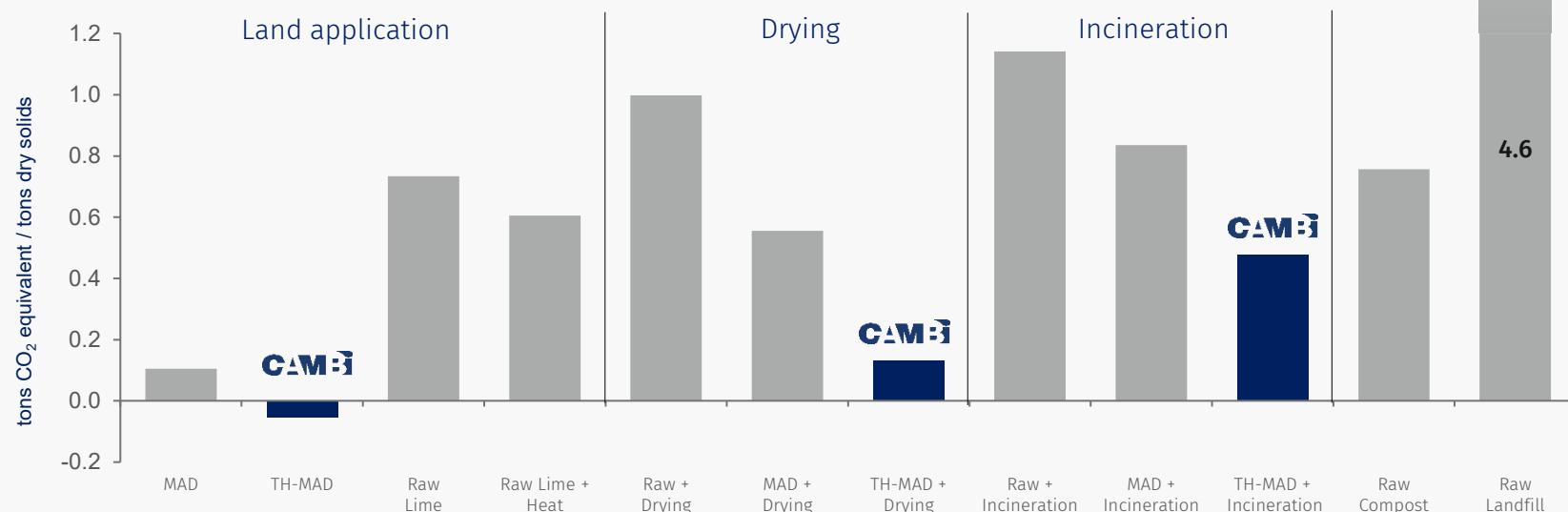
# Increased flexibility for biosolids disposal or reuse

Thermal hydrolysis is suitable for all biosolids disposal routes as it cuts costs by improving dewatering



# Lowest carbon footprint

Better environment



# Beijing lowered its emissions equivalent to 1.5 million cars

Case study

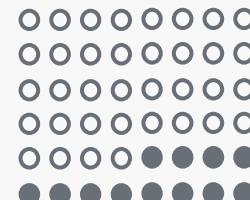
## Emissions related to sludge management in Beijing



### Baseline Landfill

very high  
emissions of  
methane  
(a very potent  
greenhouse gas)

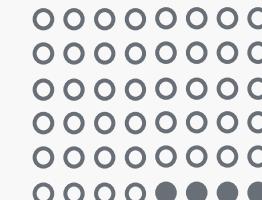
### Alternative Incineration



**1.8 million**  
tonnes CO<sub>2</sub> equivalent reduction

### Solution Cambi THP

with biosolids recycled to land

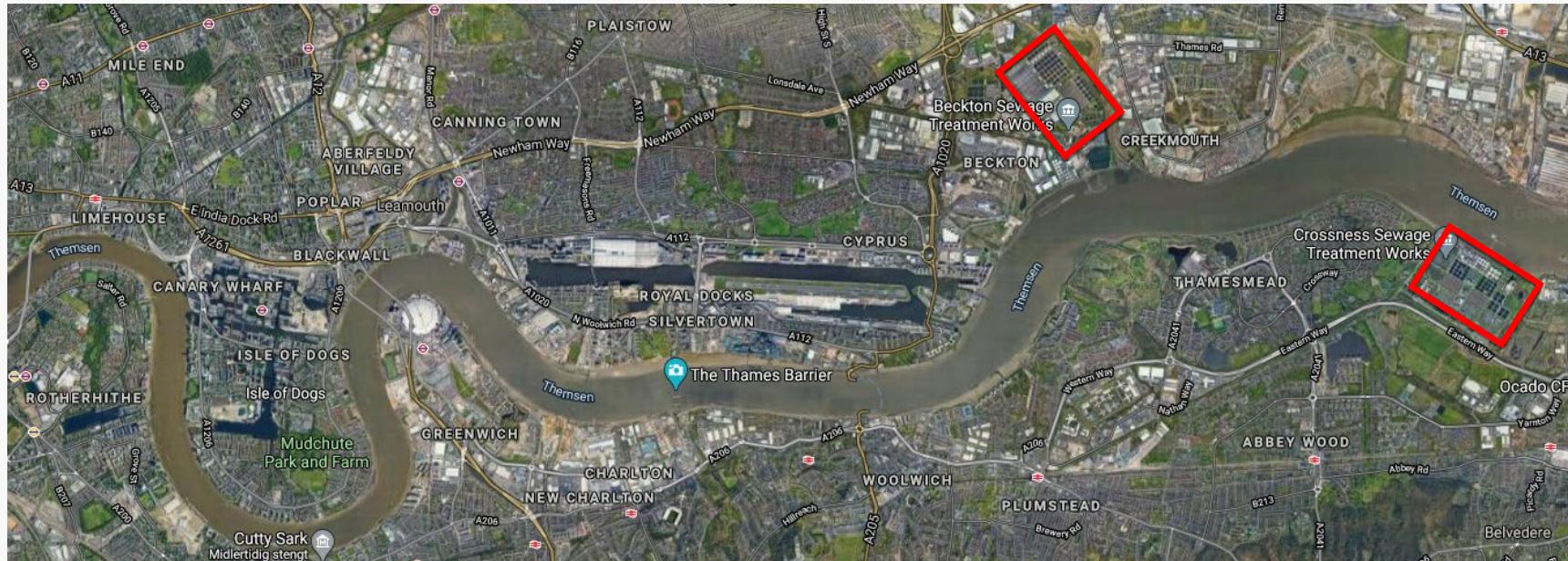


**2.2 million**  
tonnes CO<sub>2</sub> equivalent reduction

714 000 European cars emit one million tonnes CO<sub>2</sub> per year

# Urban growth puts spatial pressure on utilities

Wastewater treatment plants are increasingly often surrounded by residential areas

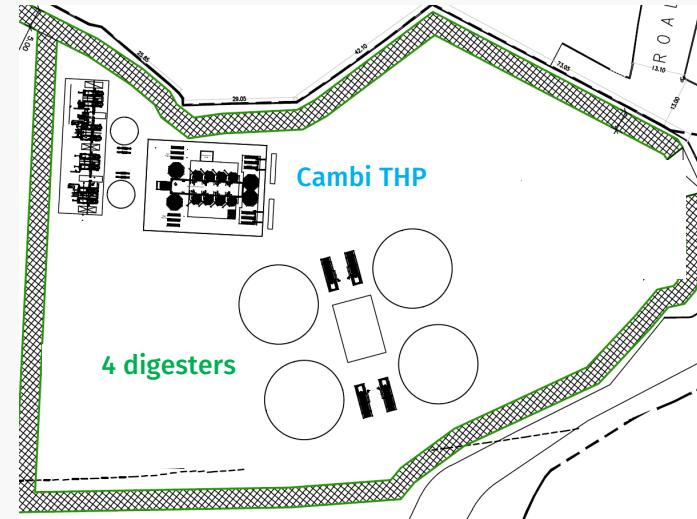
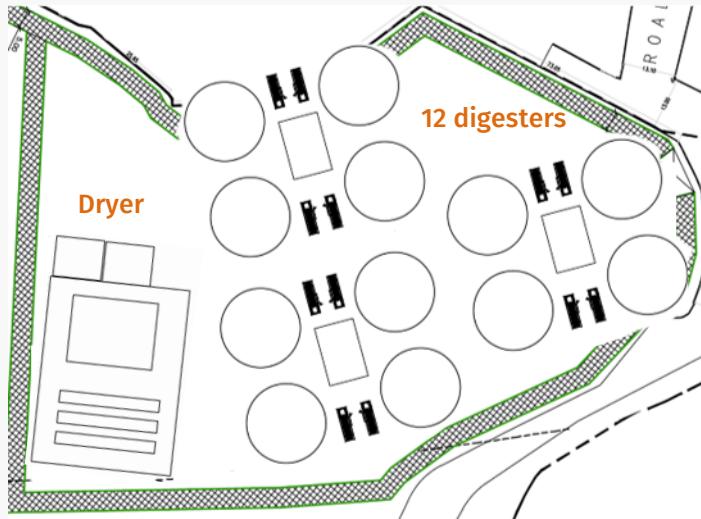


London map with Beckton (1864) and Crossness (1865) sewage treatment plants now located inside the city

# Value of smaller digesters

## Solid business case

## **THP minimises digester footprint in space-constrained wastewater treatment plants**



## Illustration of sludge line asset footprint without THP (left) and with THP (right)

# Reduced load on dryers



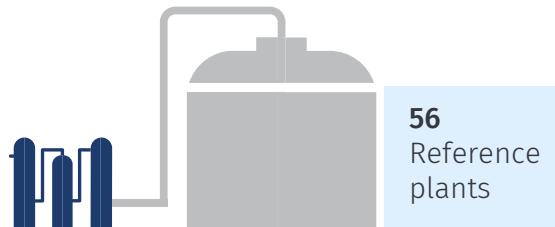
**Psyttalia**  
Athens, Greece



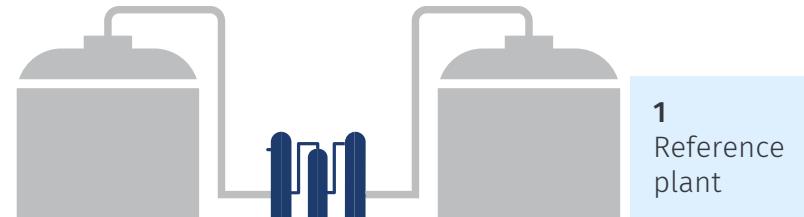
# Flexible and innovative utilization of Cambi THP

Four different configurations

THP (before digester)



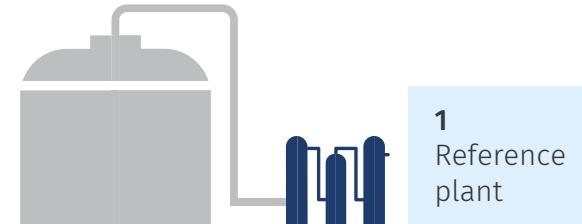
THP (between digesters)



WAS only – pure biological sludge

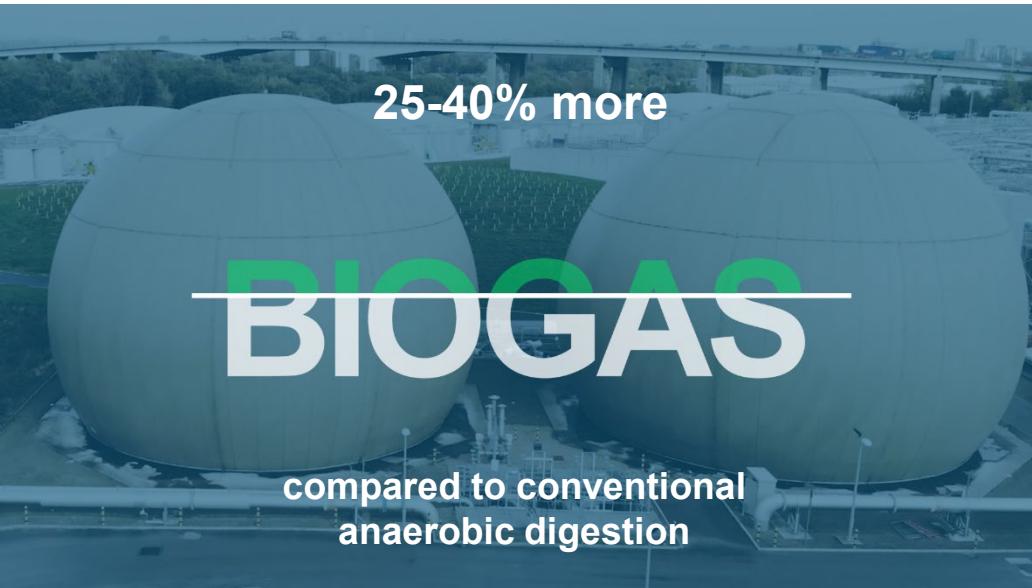


THP (after digester)



# Higher biogas production brings revenue or cuts cost

Solid business case

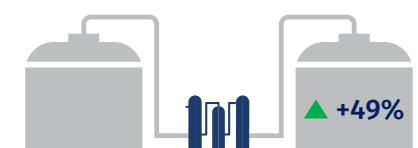


## Biogas performance

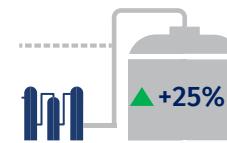
With different THP configurations at Thames Water sites



THP (before digester)



THP (between digesters)



WAS-only THP

Beijing Drainage Group:  
+43% with THP

# Pay less for disposal

Solid business case

## 30-60% less biosolids to disposal

- Higher conversion of the organic matter into biogas
- Better dewatering

## Higher quality sludge

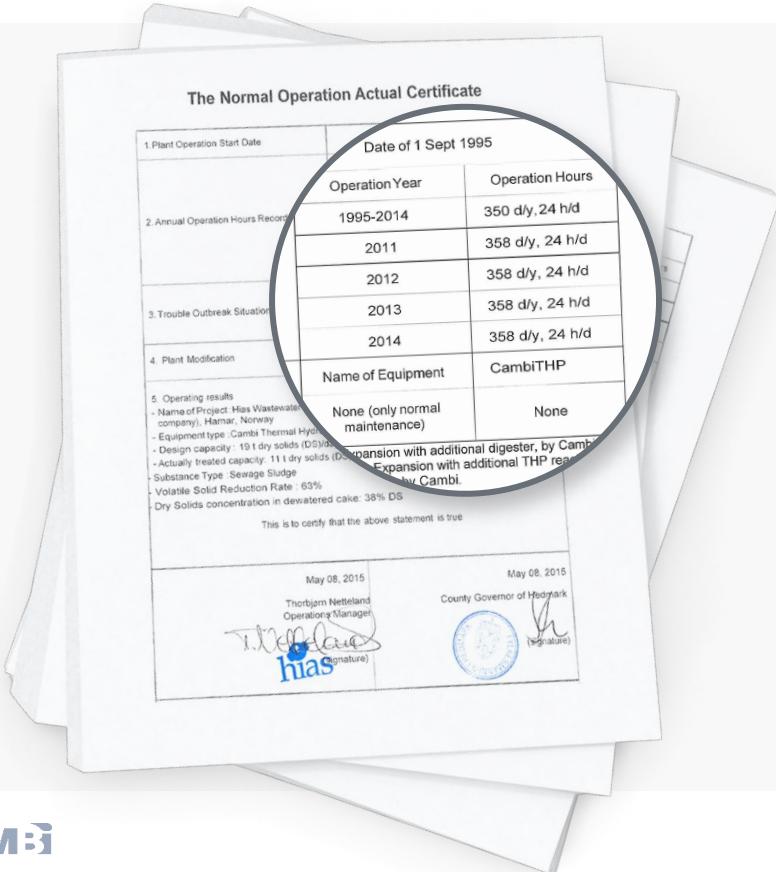
- Higher quality sludge can reduce cost per tonne, in some cases even turned into a product



Source: Bloom Soil, DC Water's resource recycling business enabled by Cambi THP at the Blue Plains WWTP near Washington, DC

# Unmatched uptime

Reliable performance



Hamar, Norway

Hias plant  
in operation

since  
**1995**

without unplanned  
THP stops



# Continuous technology improvements

Reliable performance



**Chertsey, UK**  
in operation since 1999



**Basingstoke, UK**  
in operation since 2018

## 2020 product development milestone

an upgrade that considerably improves process energy efficiency and enables carrying out planned maintenance with the plant in operation

# Lifelong customer support

Reliable performance



**PLUS**  
Process Live Update Support



# Q&A



## Better environment

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Excellent biosolids. No pathogens

Forget about odour complaints

Lowest carbon footprint



## Solid business case

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Value of smaller digesters

Produce more biogas

Pay less for disposal



## Reliable performance

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Unmatched uptime

Continuous improvements

Lifelong customer support

# Thank you

[Contact us](#)