Profitable reduction of water utilities' carbon footprint

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DNB SME Conference 2022

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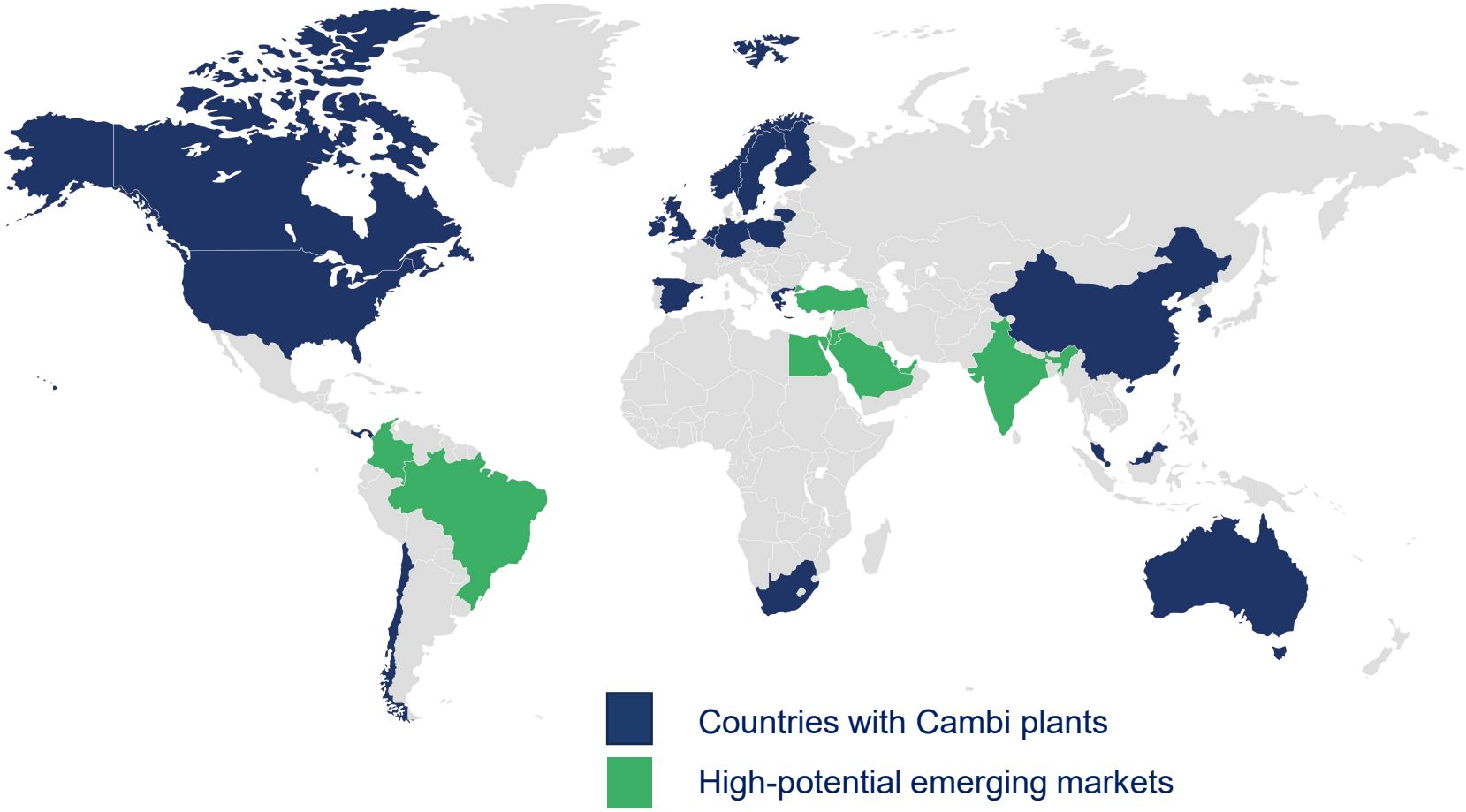
World leader in thermal hydrolysis solutions

77 reference plants

24 countries

110 million people can be served by Cambi's thermal hydrolysis

1.1 million tonnes CO_2 mitigated annually



CAMBI

Cambi transforms sewage sludge into renewable resources

The Cambi THP process boosts biogas production, a sustainable fuel for road transport or convertible to green electricity

Cambi offers the thermal hydrolysis process (THP) as part of any sludge line with anaerobic digestion.

In the wastewater treatment process, the solid fraction is separated from the sewage to undergo further treatment.

Municipal sewage is collected by the wastewater infrastructure from urban areas into a wastewater treatment plant.

Cambi THP treatment halves biosolids volumes and produces high-quality soil improvers

Cambi serves customers through various delivery models

Technology sales

- Core equipment to end customers and contractors
- Ancillary equipment
- Complete sludge treatment solutions
- Engineering support

Cambi Group

Services

- Spare parts, remote monitoring and maintenance support
- Upgrades

- Recycling of sludge through Grønn Vekst

DBO projects

- Long term ownership/ operations of sludge projects including THP
- Open to different types of projects, depending on customer preference (e.g. PPP, DBFO, BOT)

Cambi Invest

Cambi well positioned to enter into ownership and operations

Strong growth outlook for private financing

DBO projects allow for complete solutions offering

- Design and Build: Cambi expertise allows **minimising of investment** through optimal integration of the THP with surrounding equipment
- Operations: Experience and data from plants allow Cambi to **optimise plant performance and improve operational economics**
- Disposal: Develop the local market to **reduce the unit cost of sludge handling** (building on Grønn Vekst expertise)

Lowering the threshold for customers to implement THP

- Access the environmental benefits **without the (perceived) complexity and risks** of advanced treatment solutions
- **No capex required**, instead pay-for-service model at competitive rates
- Avoid lengthy projects, with heavy involvement from consultants
- Allows **focus on core operations**: water and wastewater treatment

Several approaches to DBO project development

Private operators

Introduce THP as part of existing concessions

Merchant facilities

Identify merchant plant possibilities serving several (smaller) customers

Municipalities

Proposing solutions to cities, aiming for negotiated contract

Public tenders

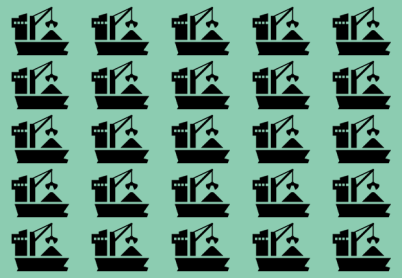
Responding to relevant DBO/ BOT/ PPP tenders

Global addressable sludge market is immense

Today, Cambi systems can serve 110 million people

>10 million tonnes of sludge

The annual sludge treated by Cambi would fill the worlds' largest bulk carrier 25x[1]



Today, 2 billion people have access to safe wastewater treatment[2]

Cambi can reduce this volume by 50% while producing 2x the total energy consumption of Norway (444 TWh/yr)

Once the entire world (7.8 billion people) gets access to sustainable wastewater treatment

1. Assuming sludge is dewatered to 25%; Vale Brazil with 400.000 t DWT
2. According to UN Water 2018 research

Safe wastewater treatment is crucial to secure the world's water and sanitisation needs

"Wastewater should be considered a sustainable source of water, energy, nutrients and other recoverable by-products, rather than a burden"
(UN Water)

6 CLEAN WATER AND SANITATION
UN SDG

2 in 5 people affected by water scarcity

80% of surface water in India is contaminated, and 80% of this pollution comes from domestic sewage

Surface water

Wastewater treatment

- Globally, only 26% of wastewater is safely treated
- With more treatment and raising treatment standards, the global volumes of produced sludge increase rapidly

Sewage sludge

CAMBI

Biogas

Fertiliser

Source: United Nations World Water Development Report 2018: Water and Climate Change, WaterAid India

Cambi THP offers a highly attractive value proposition

		Conventional	Cambi thermal hydrolysis for sludge treatment	
Economic	Environmental		**Low carbon footprint**	• Independent studies show lowest carbon footprint for all biosolids outlets[1]
			Energy efficient process	• Energy efficient process: heat is recycled to pre-heat feedstock[2]
			Increased biogas production	• Typically, 30-40% more biogas[2]
			Digestion efficiency	• Typically, 3 times higher digester throughput, reducing need for investment in new digesters and subsequently new land[2]
			Lowest lifetime costs	• Operational benefits offset (occasionally) higher capex[2]
			Easy to maintain	• Reliable, high uptime and low maintenance costs[2]
	Quality		**Low residual volume**	• Reducing the final volume by 50%, significantly reducing disposal costs[2]
			High biosolids quality	• Low odour, with guaranteed pathogen kill (all viruses, bacteria, fungi, protozoa, and worms)[2]

Cambi THP patented advanced sludge treatment offers the best available solution, both environmentally and economically

1. Source: Barber, W. (2009). The carbon footprints of various biosolids treatment processes. WEF Biosolids Technical Bulletin, May-June.
2. Source: Cambi

Thermal hydrolysis reduces the footprint of anaerobic digestion

Considerable value in having smaller or fewer digesters in space-constrained wastewater treatment plants

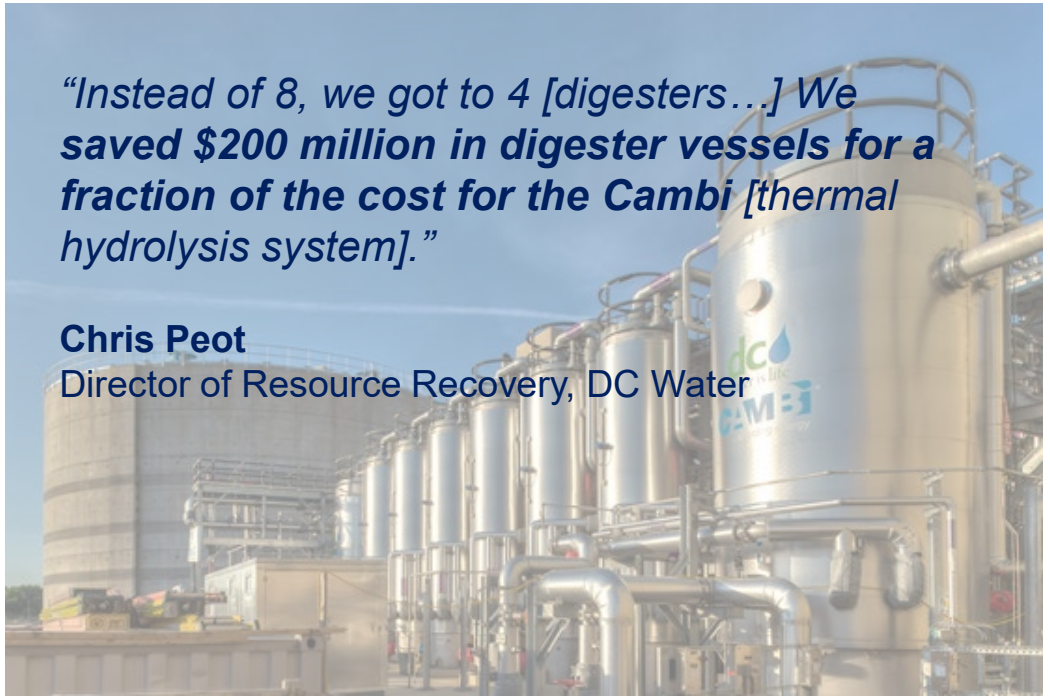
Manchester, UK – Davyhulme WWTP

Lowest CAPEX for greenfield digestion projects

Much more efficient digestion reduces need for digester tank volume drastically

With THP, DC Water achieved 35% overall CAPEX savings

- THP a profitable investment from day one
  - Significant capital savings compared to traditional design with conventional digestion: 58 vs. 174 thousand m^3 total digestion capacity
- Saving $20 million in annual operating costs



Lower biosolids handling costs

Significant reduction in operational budgets

50% less biosolids

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

High quality biosolids may open new outlets, such as recycling to land

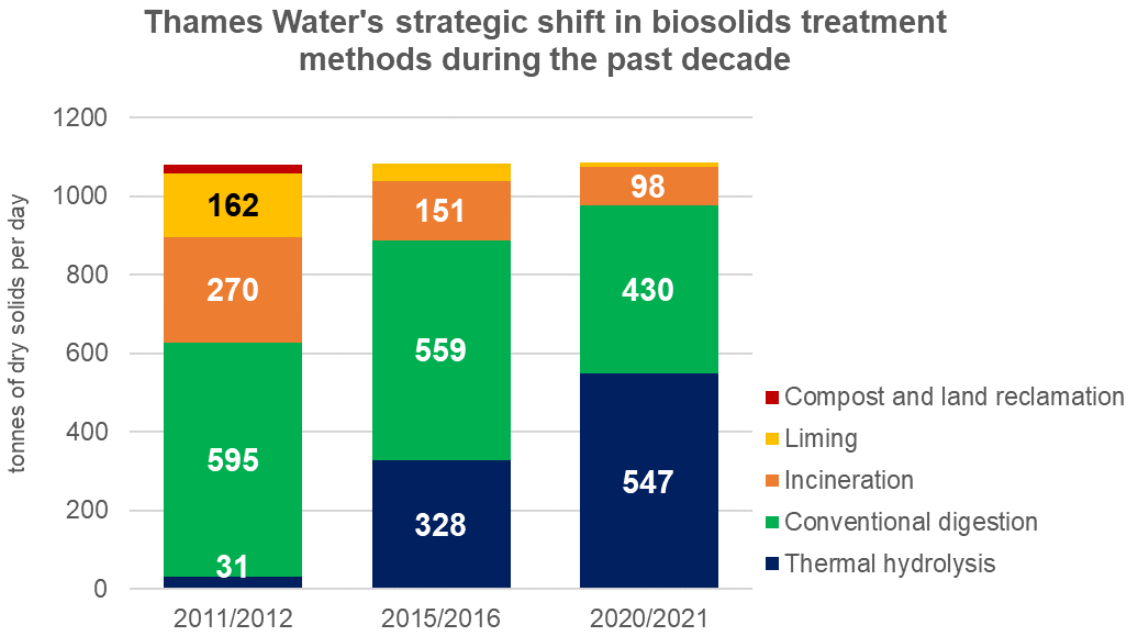
- Lower cost per tonne
- In some cases turned into a product

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

Lowest OPEX option among biosolids management alternatives

Better digestion, dewatering and biosolids quality significantly reduce cost of biosolids handling

Thames Water optimises biosolids management with THP



"We have 30 different sludge centres, so we have a lot of different experiences [with different technologies]. ***We found the most overall benefit from THP****.*

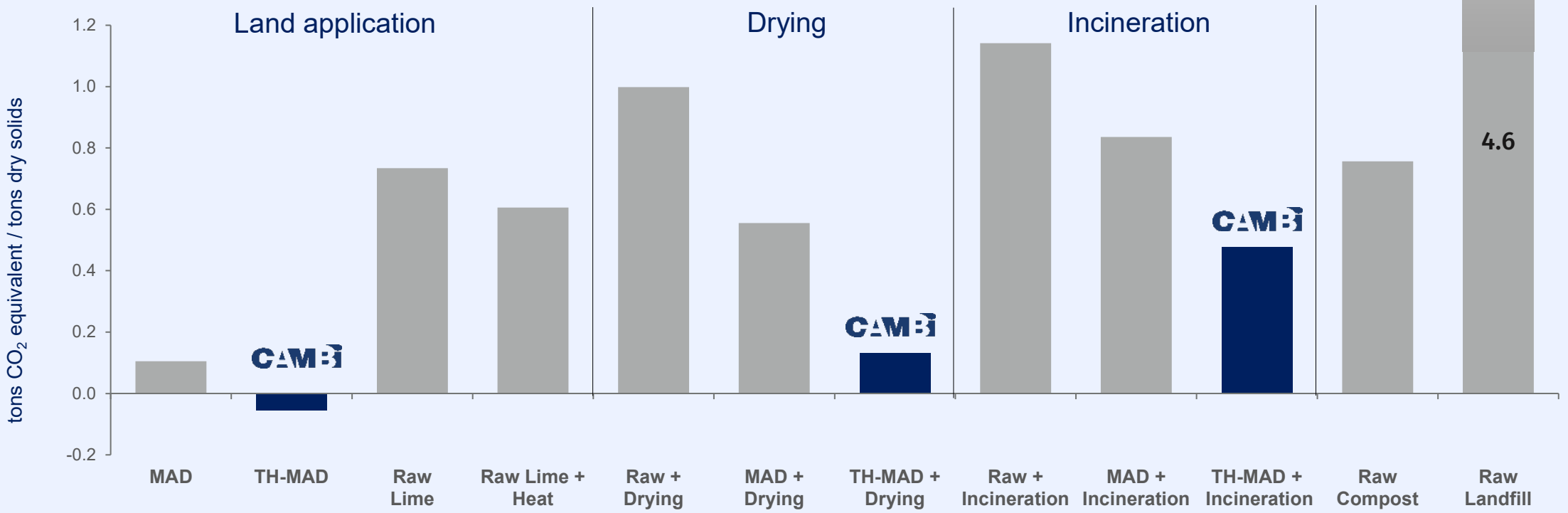
[We got here because,] fundamentally, […] it needs to be robust, it needs to be reliable and it needs to give me a cost effective treatment."

Paul Fountain
Senior Consultant Biosolids, Thames Water

Source: Thames Water, 2021. Courtesy of Paul Fountain, Senior Consultant Biosolids, Thames Water

Lowest carbon footprint

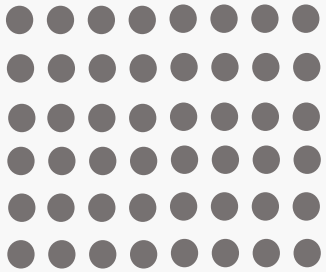
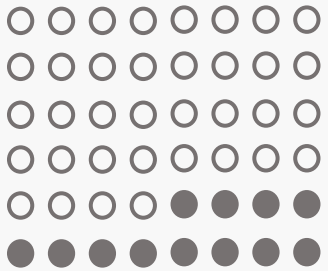
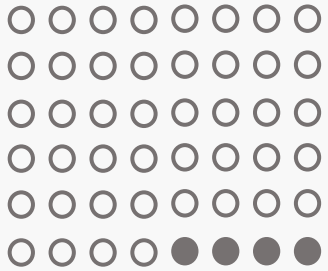
Irrespective of biosolids reuse outlet



Cambi THP reduced carbon emissions in Beijing by 400 ktCO2e

…compared to the second best considered alternative, incineration

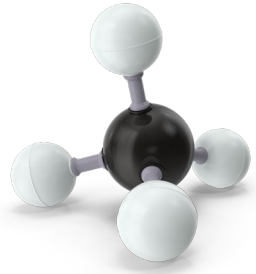
Emissions related to sludge management in Beijing

Baseline Landfill	Alternative Incineration	Solution Cambi THP with biosolids recycled to land
		
High methane emissions	1.8 million tonnes CO_2 equivalent reduction	2.2 million tonnes CO_2 equivalent reduction

Market drivers support investments in biogas technologies

Net-zero pledges

- Municipalities and water utilities set targets to become carbon neutral
- THP facilitates the transition in a profitable way



Methane targets

- Halving methane emissions requires capture & utilisation of biogenic sources, i.e. more biogas, stable biosolids

Record gas prices

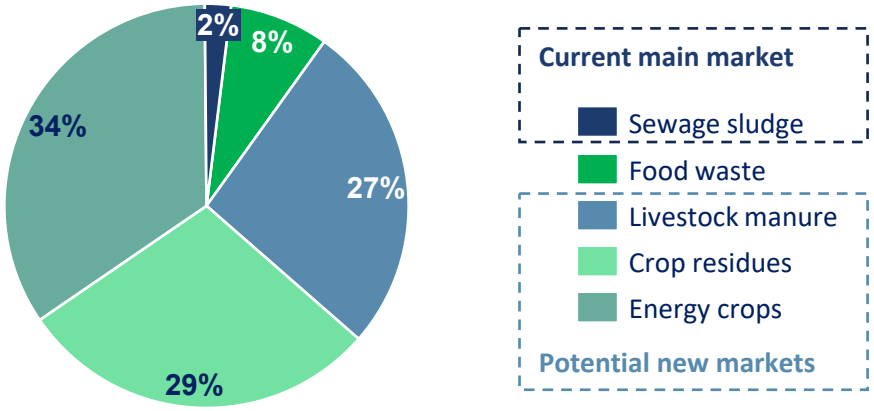
- More biogas is competitive without incentives
- “Sense of urgency” to increase own energy production where possible

US infrastructure

- Opportunity for acceleration of US projects financed as a result of the Infrastructure Investment and Jobs Act

Cambi well positioned to become a substantial player in the biogas market, benefitting from experience in sludge treatment

Global potential biogas energy generation[1]



Total: 12,100 TWh/year

EU Energy System Integration Strategy[2]

- ✓ Incentivise the use of **agriculture residues to produce sustainable biogas and biofuels**
- ✓ **Unlock the potential** of sustainable biomass and biofuels, green hydrogen, and synthetic fuels
- ✓ **Increase the generation** of renewable electricity

New markets for advanced anaerobic digestion: Alternative substrates

THP for biogas plants

- Promising laboratory results showing increased biogas yields and digestion rates for a range of different feedstocks
- Full-scale demonstration necessary prior to commercialisation

Cambi's current efforts

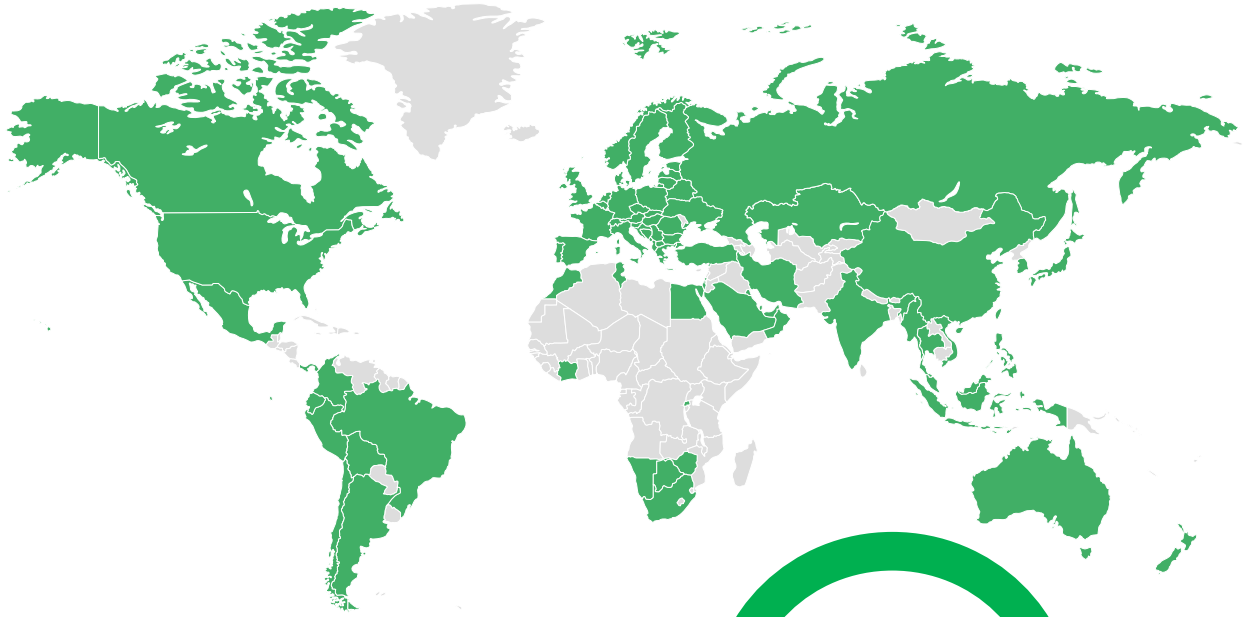
- ✓ Active discussions with industry players to investigate THP effect and business case for alternative (non-sludge, non-food) substrates to enhance biogas production
- ✓ Evaluating industry expectations on specifications and budgets, and considering product development to meet needs
- ✓ Two dedicated food-waste plants already delivered – RBA (Oslo) and Lillehammer – several others are treating both food waste and sewage sludge

Large potential for biogas as a renewable alternative for natural gas, supported by regulatory drive to minimise methane emission from waste

1. World Biogas Association (2019) Report: Global Potential of Biogas
2. EU Energy System Integration Strategy, published 8 July 2020

Cambi has tremendous growth potential

Capitalising on macrotrends and successful references



77

Reference plants

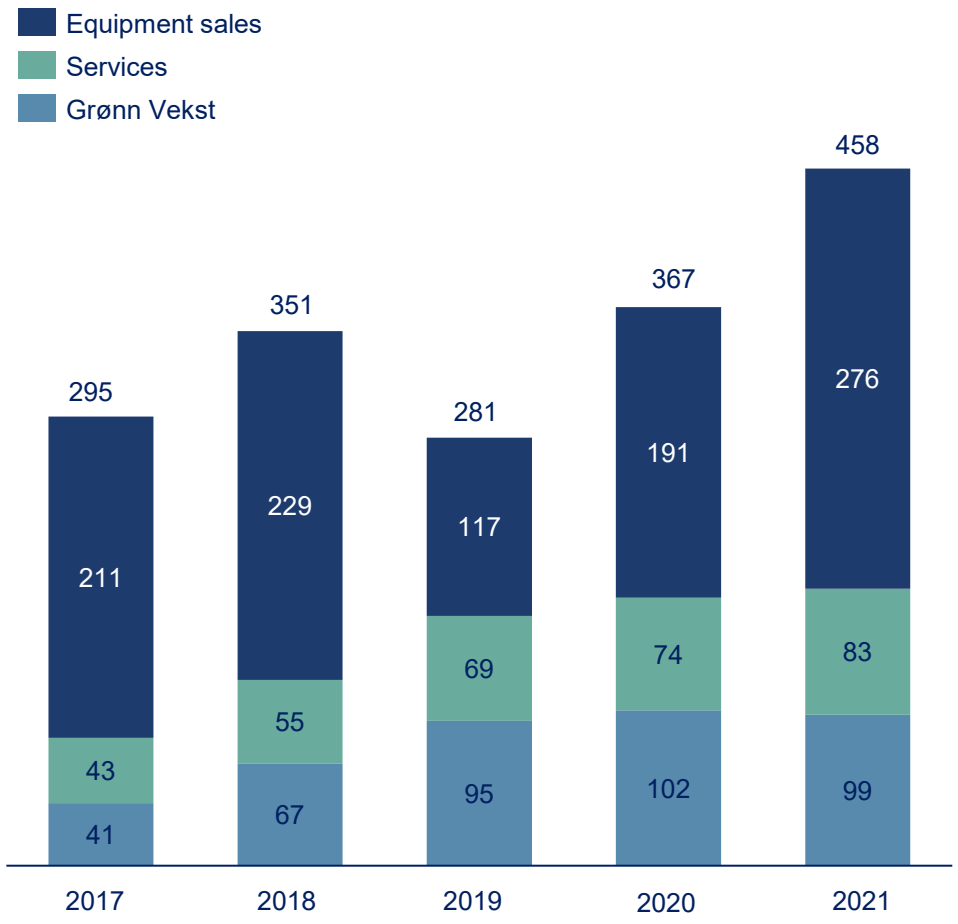
300+

Sales pipeline

3000+

Identified targets

Revenue development



- Strong revenue growth in 2021, up 25% despite FX headwinds
- Fourth consecutive year of growth in Services
- Grønn Vekst in line with last year, affected by lower activity in the market but securing important contracts. CAGR of 25% in the period
- Total order backlog up 5% in the year

Unique opportunity to invest in an established organisation with a proven concept and business model

- ✓ **Established organisation with experienced management team and leading in-house competence**
- ✓ **Innovator with decades of track record in disrupting sludge treatment technology**
- ✓ **Operating THP plants are offsetting ~1.1 million tonnes of CO_2 each year – more than 700,000 European cars off the road** *(compared to the next best available technology)*
- ✓ **Solid backlog, in the process of entering new markets and significant growth potential in unaddressed market**
- ✓ **Supported by strong, lasting macro trends driving product demand in the short and long term**
- ✓ **Unrivalled scale, maturity, processes and investments in technology and market development**

CambiTHP® – the most reliable and efficient thermal hydrolysis process in the world

Cambi is a trusted partner for many leading water utilities

Many of them have already pledged target dates for becoming carbon neutral

北京排水集团 BEIJING DRAINAGE GROUP CO.,LTD

anglianwater

Thames Water

United Utilities helping life flow smoothly

AGUAS andinas

Sydney WATER

PUB SINGAPORE'S NATIONAL WATER AGENCY

QUEENSLAND UrbanUtilities

Southern Water

Scottish Water Trusted to serve Scotland

NORTHUMBRIAN WATER

SEVERN TRENT

Dŵr Cymru Welsh Water

Cambi's equipment sales and DBO pipeline already includes most of the remaining water utilities that target reaching for net-zero emissions

Thank you

Contact us