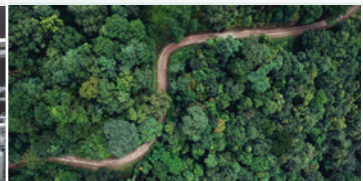
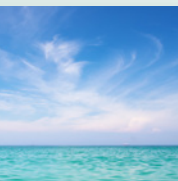
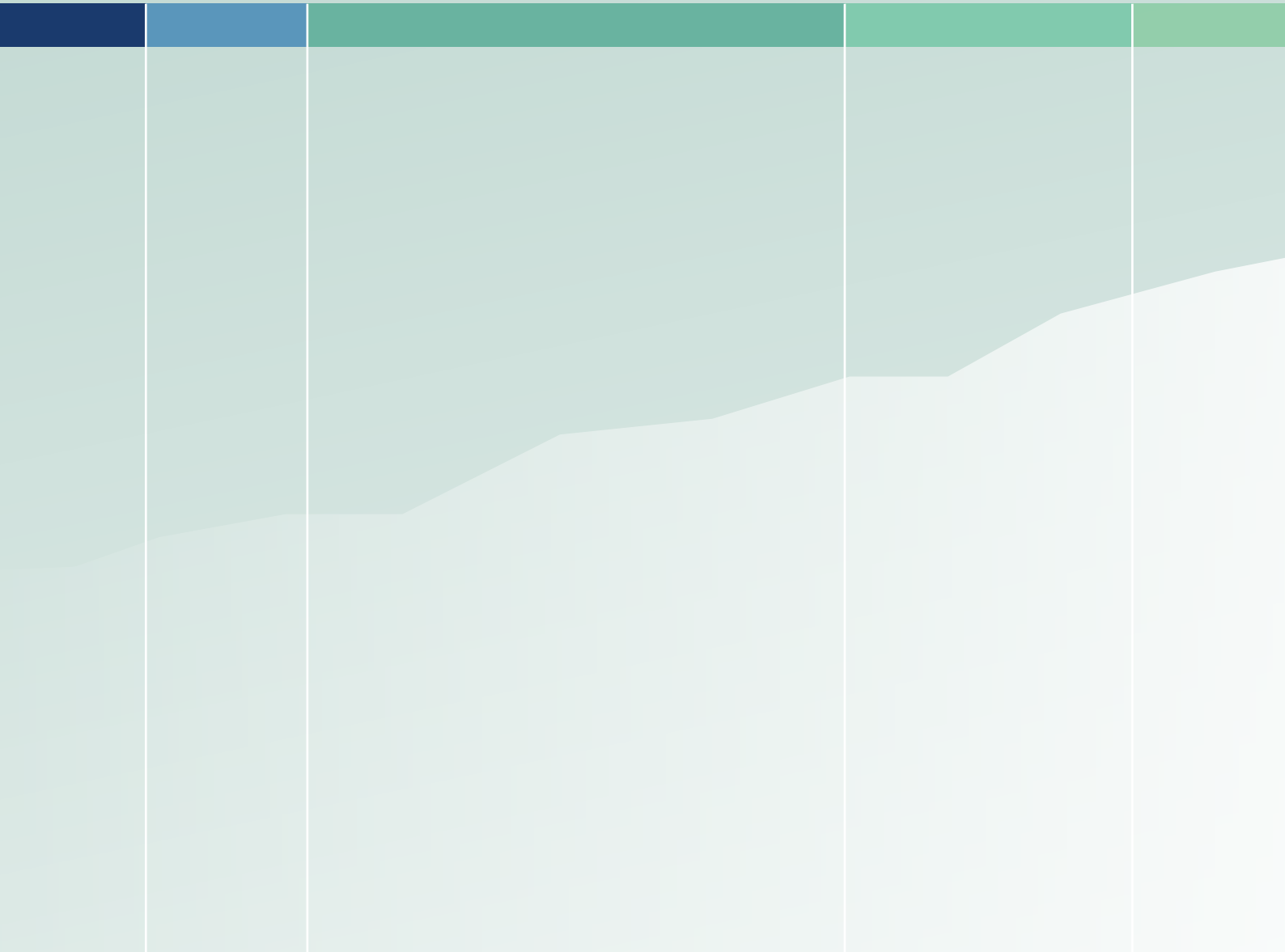


# 2021

CAMBI ASA | ANNUAL REPORT 2021



**Cambi ASA**  
cambi.com

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1383 Asker, Norway

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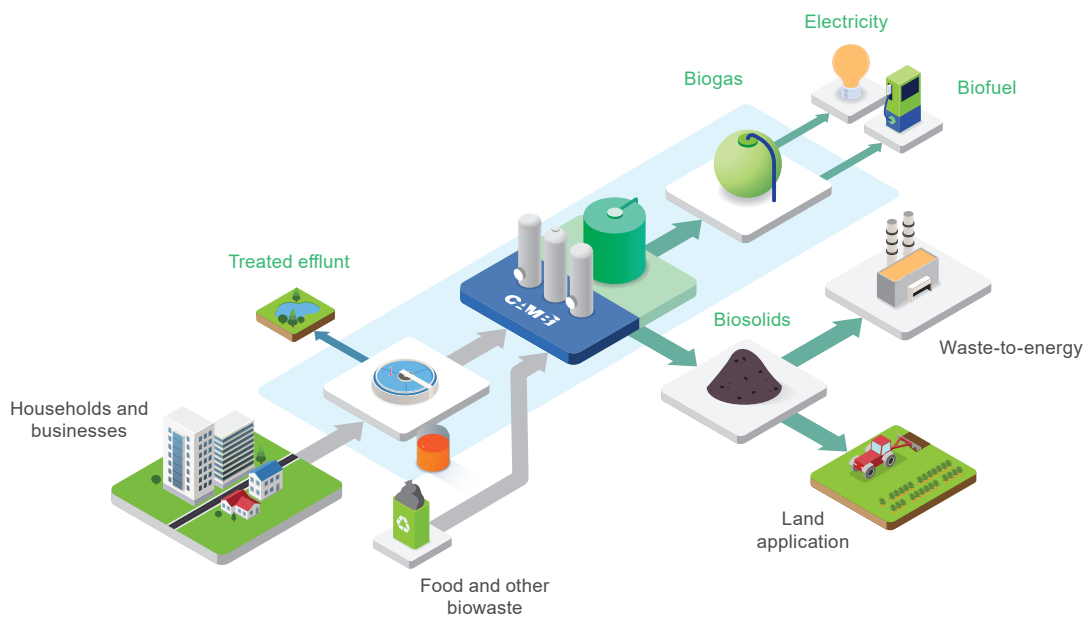
# The thermal hydrolysis process

Cambi's core offer is the thermal hydrolysis process (THP). The technology is used most prominently in medium to large wastewater treatment plants using anaerobic digestion for solids treatment.

Before wastewater returns to nature, it undergoes a multi-step treatment process to remove organic matter, nutrients and pollutants. These solids, also called sewage sludge, may be fed into an anaerobic digester for sanitisation purposes and to harvest energy in the form of biogas. The solids

produced, typically called biosolids, are either land-applied, thermally processed, or stored in landfills, depending on local regulations.

Conventional wastewater treatment plants are ineffective at extracting biogas and thoroughly sanitising sludge. Cambi's THP is designed to work with anaerobic digesters to address these challenges by altering sludge characteristics through exposure to high temperature and pressure, making it more amenable to anaerobic digestion.



## The Cambi THP value proposition



Increased biogas production



Lower biosolids volume for recycling or energy recovery

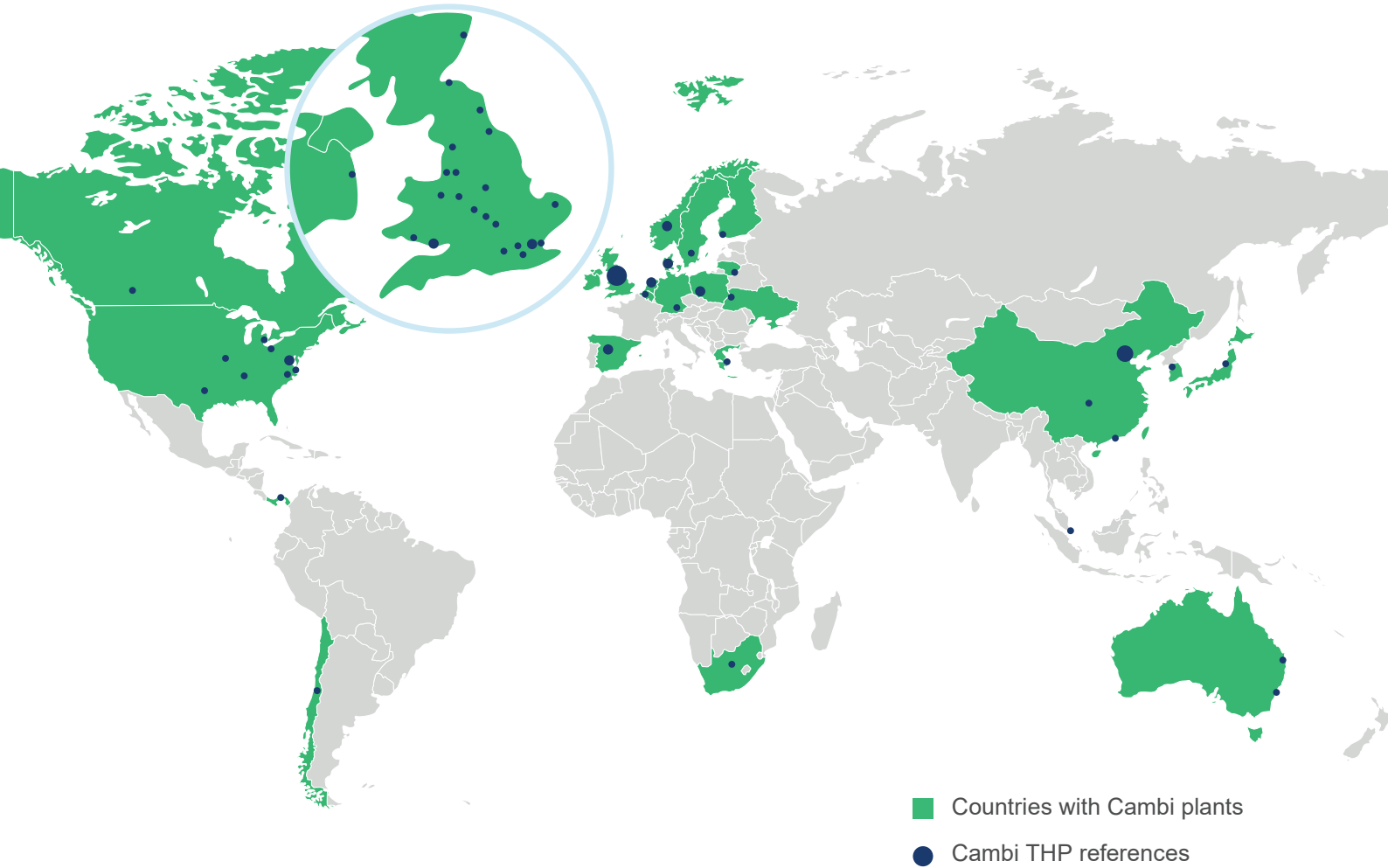


High-quality biosolids product available for land application



Higher digester throughput

# Cambi around the world



**77**  
Cambi THP  
reference plants

**24**  
countries

**110** million  
population equivalent  
serviced by installed  
capacity

# Sustainability

Cambi strongly believes that cities embracing a circular local economy for energy and nutrients provide better, more resilient living environments for their citizens.

Cambi was founded in 1992, the landmark year when the Brundtland Commission defined sustainable development as development that meets the needs of the present without compromising the ability of future generations to meet their own needs. Since then, sustainability has been Cambi's guiding principle throughout three decades of innovation, product development, and global commercialisation of the thermal hydrolysis process.

On its 30th anniversary, Cambi is proud of a profitable global business offering efficient, reliable, low carbon solutions for anaerobic digestion of sludge and organic wastes and delivering peat-free soil product blends from compost and mineral waste streams through Grønn Vekst in Norway. Cambi's value proposition is aligned with the EU Taxonomy and contributes to 8 of the UN's 17 Sustainable Development Goals, 11 of the 169 related targets and 13 of the 231 unique indicators.

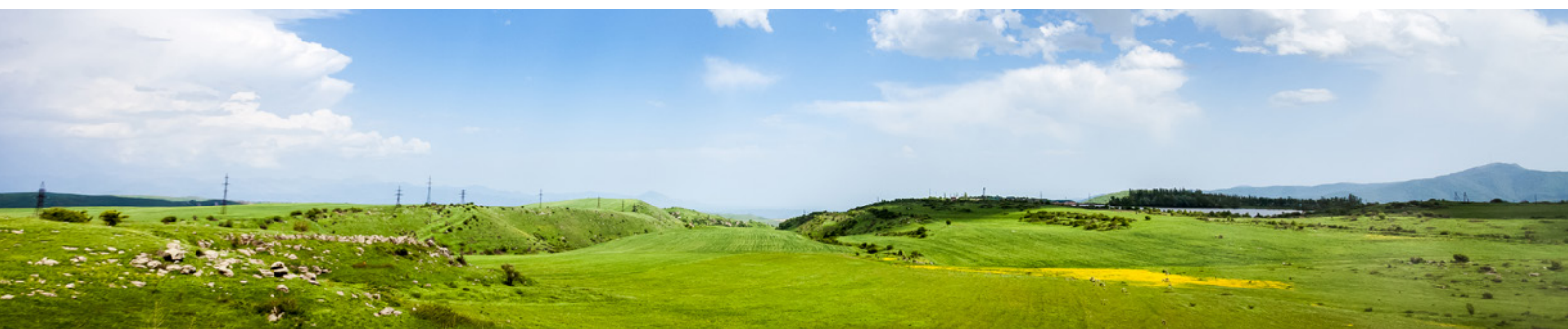
However, the report from the Intergovernmental Panel on Climate Change on the status of climate

change mitigation evidences a wide gap between countries' pledges and the global targets to reach net-zero greenhouse gas emissions. In addition, the armed conflict in Ukraine makes clear that heavy reliance on fossil fuel and fertiliser imports risks eroding living standards and threatening the security of energy and food supply for billions of people in developed and emerging economies alike.

As European and other countries are accelerating the transition to a circular, low-carbon economy based on renewable energy resources, Cambi is committed to making a solid contribution to resilient local environments in municipalities throughout the world in three main ways described briefly below.

## Boosting biogas production for sustainable energy security

By making anaerobic digestion more efficient, **thermal hydrolysis increases biogas production** from existing waste streams. Even though it plays a small part in the energy mix,





biogas is a valuable renewable energy resource (RES). Unlike intermittent RES such as wind and solar photovoltaics, biogas can be easily stored, **contributing to electricity grid balance**. Increasingly, it is upgraded to natural gas quality, replacing fossil methane and thus **decarbonising the gas grid** in many countries.

Global natural gas prices are currently at record high levels due to the shift from coal to natural gas as part of climate mitigation efforts, the economic rebound following the coronavirus pandemic, and Russia's assumed withholding of supplies to Europe. In light of the conflict in Ukraine, as European countries are scrambling to eliminate their dependence on Russian energy imports, biogas plays an important role as an **affordable, available, domestic energy resource** that helps meet climate targets on the way to a hydrogen economy.

*Cambi estimates that by installing thermal hydrolysis at all wastewater treatment plants serving at least 250,000 people in the European Union, the annual biogas production would increase by about 2 TWh compared to conventional anaerobic digestion.*

## Replacing synthetic fertilisers with sustainable alternatives

Apart from biogas, the anaerobic digestion of wastewater solids generates a by-product known as biosolids. **Thermal hydrolysis guarantees thorough biosolids hygienisation**; it eliminates foul odours; and helps remove water, making the biosolids smaller in volume and easier to stack, store, tip, load, and spread on land or burn in waste-to-energy facilities.



**Biosolids contain nitrogen and phosphorous**, the key nutrients of synthetic fertilisers, and may be applied to land subject to local regulations. They are **rich in micronutrients**, such as copper, iron and zinc, making them **appreciated soil improvers or organic fertilisers for many farmers**. Thermal hydrolysis has helped several municipalities move from incineration to land application of biosolids, recycling scarce and valuable nutrients.

*Cambi estimates that, by installing thermal hydrolysis at all wastewater treatment plants serving at least 250,000 people in the European Union, the resulting biosolids would safely meet the **nitrogen needs for 1.5 million hectares of arable land**. The biosolids could replace 200,000 tonnes of nitrogen from synthetic fertilisers each year, saving more than 2 TWh of natural gas.*

## Reducing the carbon footprint of sludge management

Independent studies have singled thermal hydrolysis out as **the sludge treatment technology with the lowest carbon footprint**. The reduced emissions result mainly from the increased biogas production and diminished volume of biosolids. In addition,

**recycling biosolids to land is a carbon fixing method**, while in greenfield projects, **embodied emissions can be reduced by building fewer, smaller digesters**. These carbon reductions outweigh the emissions embodied in the thermal hydrolysis systems and those from steam generation and other consumables.

More and more municipalities, utility companies and private businesses are stepping forward with **pledges to reach net-zero emissions** before their peers. According to Global Water Intelligence, **at least 68 water and wastewater utilities serving more than 190 million people** have set net-zero carbon and climate neutrality targets. Cambi already has 13 of these water companies as clients and is **actively working to develop projects with 24 others**.

*Under a conservative assumption of similar carbon emission reductions for new thermal hydrolysis installations as for Cambi's current reference plants, deploying thermal hydrolysis to half of the world's urban population (2.2 billion people) in large cities would reduce emissions by **22 mt CO<sub>2</sub>e/year** compared to the next best alternative and several times more compared to the status quo. The reduction represents almost half of Norway's entire carbon footprint.*



# Board of Directors' Report



# About Cambi

Cambi is a global technology and solutions supplier for sustainable biosolids management, transforming wastewater solids and organic wastes into renewable energy and soil products.

The company is the leading global provider of thermal hydrolysis process (THP) technology, used in combination with anaerobic digestion for sewage sludge and organic waste management.

The company headquarters is in Asker, Norway, with a manufacturing facility in Congleton, UK. Regional offices are established in the USA, China, South Korea, Singapore, and several European countries, with sales representatives in many other locations worldwide.

## Business segments

Cambi has two distinct business segments:

- Cambi Group, which is focused on developing and marketing the THP technology
- Cambi Invest, the company's expansion arm tackling acquisitions and investment opportunities

### Cambi Group

**Equipment:** research, development, manufacturing, sales, and project delivery for proprietary THP systems and related ancillaries.

**Services:** customer and process performance support, maintenance, upgrades, spare parts sales, and consulting.

### Cambi Invest

**DBO (Design-Build-Operate) Projects:** development of THP projects that the company will privately finance and operate.

**Recycling:** currently consists of Cambi's wholly-owned subsidiary Grønn Vekst, Norway's leading sludge and organics recycling company and producer of peat-free soil.

# Highlights

2021 saw Cambi deliver revenue growth of 25%, despite pandemic-related shutdowns that reduced the activity at customer sites and increased lead time due to supply chain disruptions.

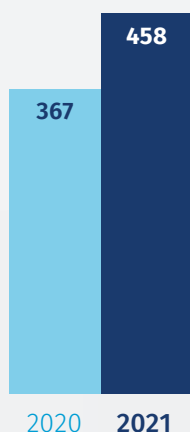
While performance was impacted by external factors, some of which are expected to persist into 2022, Cambi delivered solid 2021 revenue growth of 25% to NOK 458 million. Of the total revenue, 72% is in foreign currencies, with foreign exchange headwinds of 5.2 to 8.5% in the main currencies compared to last year.

EBITDA<sup>1</sup> before non-recurring items<sup>2</sup> was NOK 39.4 million, an increase of 50% from the previous year (NOK 26.3 million). The margin increase is attributed to solid execution in Cambi Group, despite increases in raw material prices and currency headwinds.

Order intake for the full year was NOK 480 million (NOK 584 million), with a book-to-bill<sup>3</sup> ratio of 1.05.

**458**

Revenue



**39.4**

EBITDA



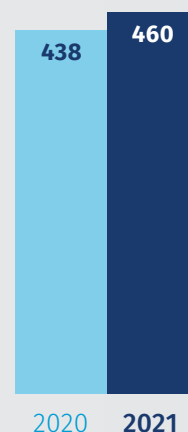
**480**

Order intake



**460**

Order backlog



Key numbers in NOK million, Cambi ASA.

<sup>1</sup> Operating profit (EBIT) + depreciation and impairments

<sup>2</sup> Expenses in the year that are expected not to be recurring. Cambi had in the period non-recurring costs of NOK 1.8 million. The costs were related to the listing on Euronext Growth.

<sup>3</sup> The value of contracts and orders signed divided by total revenue in the period.

# Innovation

For Cambi, 2021 marked the launch of new thermal hydrolysis models and significant investments in research.

## THP development

To ensure that Cambi remains the indisputable global thermal hydrolysis technology leader, as part of continuous innovation processes and in response to market needs, three product development projects were in focus in 2021: the THP models S, E, and P. Design work on these products achieved significant milestones in the reporting year. The THP models S and P have already been made available to Cambi clients, quickly securing contracts.

The THP S model was designed for increased availability, allowing THP plants to continue operating during annual maintenance. Two contracts have been signed for this product, with one unit already manufactured and currently undergoing installation for the Washington Suburban Sanitary Commission's Piscataway plant.

The THP P model, designed for reduced operational expenses, has also secured a contract. With this model, the thermal hydrolysis process operates based on the pressure difference between the THP vessels instead of pumps. It will have fewer requirements for maintenance and the replacement of parts.

Lastly, the THP E model, designed for maximum energy efficiency and reducing steam demand by a quarter or more, progressed significantly in the design phase in 2021.

Conceptual designs for innovative sludge cooling were also initiated during the year.

## Research

There was an increased focus on R&D projects, with organisational restructuring and laboratory investments made in 2021. Various studies related to the company technology made significant headway, while support for related studies by external institutions and international clients was maintained. The company received support from Innovation Norway, Norges Forskningsråd (the Norwegian Research Council) and Norad (the Norwegian Agency for Development Cooperation) to develop new products and services, improve existing technologies, and enter new markets in developing countries.

Key research done during the year included the development of a test method and the study of THP conditions and configurations for improved sludge dewatering. Another development was a laboratory-scale study specific to the Cambi configuration wherein THP is placed between digesters instead of before or after digesters. The study results prove that biosolids from this THP configuration comply with the standards for exceptional quality "Class A" biosolids under the US Environment Protection Agency's Biosolids rule, allowing unrestricted use of such biosolids. The results will be presented at a 2022 conference.

With the demand for wildflower habitats increasing, Grønn Vekst initiated a pilot study of the effects of its compost and stonemeal products on plant growth. The pilot aimed to inform irrigation and fertiliser regimes and helped with a field trial later in the year.

# Order intake and backlog

In 2021, Cambi signed 10 new contracts, of which seven are for Cambi Group and three are for Grønn Vekst under Cambi Invest.

Cambi Group signed its first contract in South Africa and continued to grow its presence in the United States and Europe, with notable growth in the Polish market. Grønn Vekst was awarded three recycling contracts, including one of the largest biosolids contracts in Norway for Bergen, the country's second-largest city.

## Order intake

- |                                                        |                                            |                                                                                |
|--------------------------------------------------------|--------------------------------------------|--------------------------------------------------------------------------------|
| 1. Industrial sludge contract in Secunda, South Africa | 4. Kansas City, MO, USA                    | 8. Recycling contract in Bergen, Norway                                        |
| 2. Verdal, Norway                                      | 5. Warsaw, Poland                          | 9. Recycling contract at the Bekkelaget sewage treatment plant in Oslo, Norway |
| 3. West Sussex, UK                                     | 6. Jarocin, Poland                         | 10. Antwerp, Belgium                                                           |
|                                                        | 7. Recycling contract in Trondheim, Norway |                                                                                |





Cambi's order backlog grew 5% from the previous year, ending at NOK 460 million (NOK 438 million). 72% and 2% are attributable to Cambi Group's Equipment and Services subsegments, respectively.

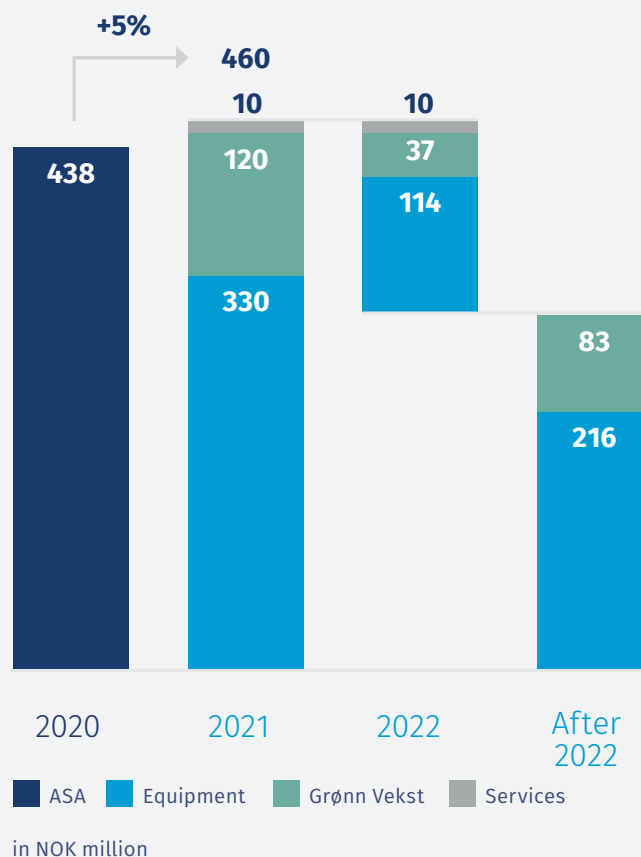
Cambi Group's share of the backlog decreased versus the previous year as various orders were delivered within 2021. The remaining 26%, or NOK 120 million, represents Grønn Vekst's contract portfolio for biosolids and garden waste management. Not included in Grønn Vekst's backlog is soil sales, as these are regarded as spot sales.

Cambi Group's backlog is noted in foreign currencies, while Cambi Invest's backlog is currently in Norwegian kroner.

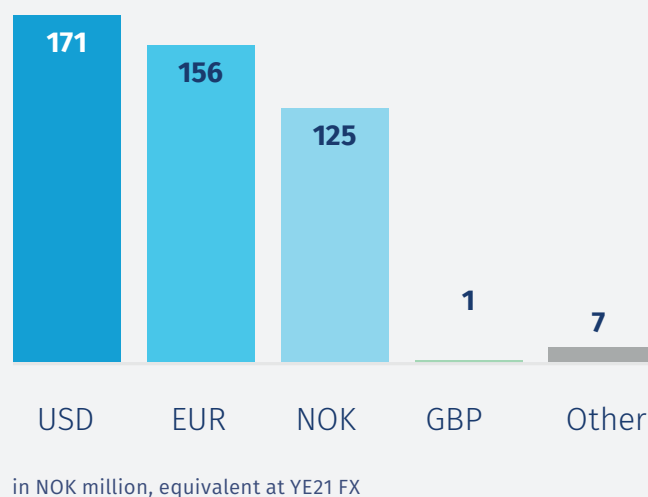
Adjustments to the projects' completion percentages and foreign exchange rate fluctuations, among other factors, may affect the backlog distribution.



## Backlog distribution



## Backlog by currency



# Operational highlights

Q1

## New soil production areas and farmland creation

One new production site was established in Larvik and three others in the Greater Oslo area, making it easier for Grønn Vekst to supply additional volumes in its main market geographies. The company also delivered 10,000 tonnes of soil to cover a closed landfill in Bærum, a large municipality near Oslo. The project created new farmland for the area.

Q3

## Commissioning: Secunda, South Africa

The first Cambi THP plant in South Africa and the African continent was commissioned at the energy and chemicals company Sasol's Secunda coal-to-liquids plant. The pilot project is funneling hydrolysed industrial sludge to the facility's gasification process to reduce waste volumes. The trials show promising results and may trigger a larger order to introduce thermal hydrolysis for the entire production capacity at the site.

## Commissioning: Finham, Coventry, United Kingdom

The Finham Sewage Treatment Works will use its commissioned THP system to serve Coventry and its surrounding areas, representing about 1.4 million people. Finham is part of client Severn Trent's plan to invest in innovative technologies at several plants to address population growth and meet new environmental standards.

Q4

## Commissioning: Stoke-Bardolph, Nottingham, United Kingdom

This Cambi THP unit is the fourth commissioned for client Severn Trent and will serve approximately 1.4 million people, acting as a sludge centre for the region. It is located at the Stoke Bardolph Sewage Treatment Works, the largest treatment facility in Nottinghamshire.

## Upgrade: Beijing, China

Cambi delivered process gas units to the Gaoantun Water Reclamation Facility, the largest sludge centre in China. The upgrade of this THP unit commissioned in 2017 will facilitate client Beijing Drainage Group's process gas and odour management at the site. Gaoantun is one of five Cambi plants in Beijing.

# Financial review

## Profit and loss

Consolidated operating income increased 25% from NOK 367 million in 2020 to NOK 458 million in 2021. Cambi Group delivered revenue growth across all five sales regions, with an Equipment subsegment revenue increase of 45%. The Services subsegment also increased by 11%, delivering its fourth consecutive year of growth.

Operating profit increased by NOK 10.5 million (+58%) to NOK 28.7 million on a reported basis (2020: NOK 18.2 million). Product development costs of net NOK 9.8 million were expensed in 2021 (2020: NOK 10.5 million).

The Cambi Group operating profit increase of NOK 18.6 million (+300%) to NOK 27.9 million was especially pleasing as the segment experienced significant raw material price increases and currency headwinds. The segment benefited from strong operational execution, albeit with a less favourable revenue mix and inflationary raw material prices, lowering the gross margin by 5.1 percentage points to 52.7% in 2021.

Cambi Invest's operating profit decreased by NOK 8.1 million (-91%) to NOK 0.8 million (2020: NOK 8.9 million) due to increased DBO activity. In addition, Grønn Vekst dealt with long periods of adverse weather events, affecting production costs in prolonged periods and lowering the gross margin by three percentage points to 35.2%.

Net profit was reduced by NOK 1.8 million to NOK 11.9 million (2020: NOK 13.7 million), mainly due to a translational foreign exchange headwind of NOK 6.5 million (2020: gain NOK 6.1 million). The share attributable to Cambi ASA shareholders was NOK 13.7 million (2020: NOK 15.8 million).

Order intake for 2021 was at NOK 480 million (NOK 584 million) and included a breakthrough contract in South Africa, the first in the country and in Africa.

Order backlog ended at NOK 460 million, up from the previous year's NOK 438 million.







## Cash flow

Cash generated from operations increased by NOK 7.1 million to NOK (8.9) million in the year. The increase is mainly related to a build-up of inventory and contract assets and the timing of milestone payments.

Cash flow from investment activities of NOK (204.2) million primarily reflects the purchase of current financial investments.

In February 2021, Cambi completed a private placement with net proceeds of NOK 285.6 million. This inflow, offset by repayment of project working capital facilities, resulted in cash flow from financing activities of NOK 237.2 million during the period (2020: NOK (47.4) million).

The year's net change in cash and cash equivalents was NOK 24.1 million, from NOK (79.2) million in 2020.

## Balance sheet and liquidity

As of 31 December 2021, total assets were NOK 522.5 million (2020: NOK 282.6 million). Equity amounted to NOK 442.0 million (2020: NOK 138.4 million), with an equity ratio of 84.6% (2020: 49%).

Inventories ended at NOK 45.1 million (2020: NOK 27.3 million), and contract assets ended at NOK 77.8 million (2020: NOK 69.0 million), gearing up to execute the current backlog.

Cash and cash equivalents amounted to NOK 70.1 million, undrawn credit facilities of NOK 20 million and current financial investments of NOK 200.9 million.

Interest-bearing liabilities were NOK 2.4 million (2020: NOK 50.9 million).

# Parent company financial statements

Cambi ASA is a holding company with no turnover or employees in 2021. It recorded a loss of NOK 3.7 million for 2021 (2020: loss of NOK 2.4 million).

As of 31 December 2021, total assets were NOK 417.4 million, compared to NOK 97.4 on 31 December 2020. The equity as of 31 December 2021 was NOK 333.5 million (2020: NOK 47.8 million), with an equity ratio of 80% (2020: 49%). The increase was a result of the private placement in February 2021. The Board considers Cambi ASA to have adequate equity and liquidity at year-end 2021.

The net cash flow in 2021 was NOK 21.2 million (2020: NOK (42.7) million), primarily due to net proceeds from the private placement of NOK

285.6 million, offset by loans to subsidiaries and repayment of loans of NOK 59.4 million and the purchase of money market funds amounting to NOK 200 million.

## Allocation of net loss

For the fiscal year 2021, the Board of Directors has proposed to recognise the result against equity.

Following section 3-3a of the Norwegian Accounting Act, we confirm that Cambi has prepared the financial statements under the assumption of going concern. This assumption is based on profit forecasts for 2022 and Cambi's long-term strategic forecasts. Cambi's economic and financial position is sound.



# People

## Gender, diversity and inclusion

Cambi celebrates a highly diverse talent base, with its 128 employees representing 27 nationalities. Just 21% of our employees are women, two percentage points more than in 2020. 50% of the new hires in 2021 are female. There were seven part-time employees, six of whom were female. Management remains exclusively male. There were no employees who worked part-time involuntarily.

For Cambi Group, excluding departments or units with exclusively male employees, women earned 64% of their male counterparts' average salary in 2021. For subsidiary Grønn Vekst, this value was 94%. Cambi strives to ensure internal equity across locations, departments, and gender through sound calibration procedures. Variances in pay may exist due to differences in job responsibilities, local conditions, and years of experience.

Cambi understands the importance of gender diversity and continues to take concrete steps to improve it. Initiatives in 2021 included training all

employees on the Cambi Code of Conduct, which has provisions for discrimination and harassment in the workplace. All employees are continually encouraged in routine catch-up sessions to report any frustrations, including instances of discrimination based on gender, culture, race, sexual orientation or any other dimensions of personal, social, or role identity.

Cambi also aims to get a good balance between genders and nationalities at all levels in the organisation in the hiring process. All employees, regardless of gender, are provided resources for skill development through yearly competence mapping and planning.

Norway has a flexible parental leave scheme that provides up to 12 months of parental leave split between two parents or caretakers. In 2021, Cambi employees availed of a total parental leave of 57 weeks, compared to 52 weeks in 2020. Women took 55% of the total parental leave in 2021.



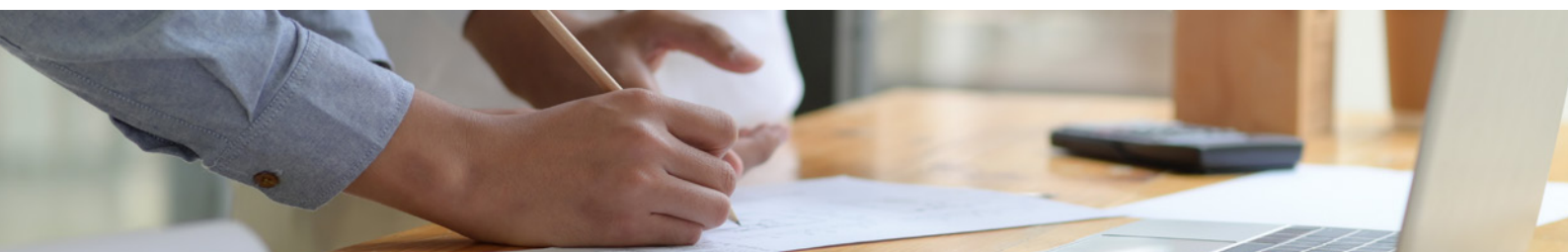
**128 employees**



**27 nationalities**



**22 languages spoken**





## Health, safety, and the working environment

Cambi continued throughout the year to consider the effects of the pandemic on its employees, putting health and safety first by **allowing flexibility for working at home for office-based personnel** in Norway, following health ministry guidelines. Personnel in international locations followed their respective countries' health advisories.

With regards to safety, there was **one minor injury** at the manufacturing facility in the UK. There were **no reportable accidents**. Total sick leave was at **2.05% of total hours worked** (1.3% in 2020). The indicator covers the headquarters in Norway, the UK manufacturing facility, and the China office.

In 2021, the manufacturing facility achieved **Contractors Health & Safety Assessment (CHAS)** certification for Cambi Operations Ltd as a Principal Contractor. The certification allows Cambi to increase the scope of services provided to the 25 thermal hydrolysis plants installed in the UK.

In order to achieve certification, Cambi Operations Ltd was assessed against CHAS' requirements for health & safety, finance, environment, quality, equal opportunities, anti-bribery and corruption and modern slavery. During the six-month-long application process, Cambi carried out **safety training for all operations personnel**, resulting in all of them achieving the Site Management Safety Training Scheme (SMSTS) qualification.

A survey asking about preferences regarding hybrid work from home and the office was rolled out in June. The annual employee engagement survey was carried out in November, covering the psychological working environment, employee relations, communication, working responsibilities, leadership, employee engagement, and the management of Covid-19 measures.

Cambi also held **health-promoting activities** for employees in 2021. Examples include friendly competitions using fitness trackers, summer and autumn sports activities, and information campaigns on the potential effects of prolonged home office desk set-ups.

During the year, Cambi **updated and reorganised internal procedures and processes**. An important step in the company's sustained efforts to respect business ethics and human rights was the **external release of the Code of Conduct**. The code outlines how Cambi supports and acknowledges the fundamental principles of human and labour rights as defined in the Universal Declaration of Human Rights. It also lays out the company's mechanisms to discover and address those who engage in fraud, bribery, corruption or discrimination. Cambi routinely carries out risk assessments, conducts independent internal audits as needed, and has implemented a whistleblower procedure. All employees are given training on these topics. The Code of Conduct is found under Cambi's Ethics and Compliance page on the Cambi website.

# Environment

Cambi does not pollute the external environment to any material extent and is taking steps to further reduce environmental impact.

Cambi's quality management system and several manufacturing initiatives are working to increase efficiency and reduce the environmental impact from operations, i.e. lower water and energy consumption, and through dialogue with suppliers. Cambi equipment is usually shipped by sea, with last-mile deliveries by truck.

Grønn Vekst's business is regulated and monitored by the Norwegian Government. Transportation of raw materials and soil products is outsourced and takes place mostly by truck. The use of fossil fuels for transportation and truck noise stand for most of Grønn Vekst's environmental footprint. The company envisages contracting more trucks that use biogas as fuel and reduces truck movements by transporting biosolids from Bergen to Oslo by trains that run on emissions-free electricity.

During the past years, digital marketing investments and a new travel policy reduced travelling and associated emissions. While the last couple of years will remain an outlier due to the pandemic-related travel restrictions, Cambi remains mindful of its travel-related environmental impact.

Cambi recycles its waste to the extent possible at its different operational locations. The headquarters in Asker is located near the intermodal bus and train station, and many employees use public transport, walk or bike to work. For those driving, chargers are installed in the parking lot to facilitate electromobility.



# Corporate governance

Cambi maintains integrity in all its activities, continually practising transparency and accountability for shareholders, public and private partner institutions, and others with a stake in the company.

After becoming listed on Euronext Growth Oslo in 2021, Cambi continued to espouse such principles and beliefs through timely and relevant stakeholder communication and by upholding high ethical standards in all business dealings.

In 2021, Cambi held its first Capital Markets Day to provide further insight into the company for investors and analysts. The company's Investors section on the corporate website is kept up to date, featuring timely reporting following a published financial calendar for the year.

All press releases and stock exchange notices are published on the Oslo Børs news service (*newsweb.no*) and Cambi's Investors webpages. Share performance is continuously tracked on the

Euronext live platform (*live.euronext.com*) under the ticker "CAMBI". All quarterly and annual reports are presented online on the day of the reports' releases. Cambi is subject to Norwegian law, including the Norwegian Accounting Act (available on *lovdata.no*).

Cambi believes that a good corporate governance reporting framework is crucial in cementing good practices and making them highly visible. The company website (*cambi.com*) displays information on Cambi's annual general meeting, investor relations policy, and articles of association.

A separate portion of this annual report includes key information relating to risk management, Board and management composition, remuneration, and company shares.



# Risk management

The company has adopted a risk management policy to identify, measure, and mitigate risks.

## Market risks

Cambi's global activity exposes the company to uncertainties in the world economy. Geopolitical and trade policy developments may have adverse effects. A current concern in this respect is the further escalation of the Russia-Ukraine war. Cambi's project for the city of Lviv in Ukraine is currently on hold under the clause of force majeure.

Cambi's customers are primarily governmental bodies and local municipalities. Reduced public spending on sewage sludge management solutions may have adverse consequences for the company's revenues, cash flow, financial condition, and prospects. Although sewage sludge management is a growing problem, public spending can fluctuate yearly and from country to country due to social, political and economic shifts and global events.

## Technology risks

New technologies and solutions or more aggressive pricing from competitors and the customers' focus on investment budgets over lifecycle costs can increase price pressure.

Cambi's failure to innovate and develop the company's core and new solutions and services may adversely affect the company's market position and ability to deliver growth.

Cambi invests in product development and collaborates with universities globally to improve core product offerings and ancillary equipment. The company has strong governance around intellectual property and, as described in the Innovation section

of this report, has recently launched new solutions to strengthen its competitive position.

## Operational risks

Cambi is subject to project execution risks of fixed-price contracts. Factors that may affect the company's ability to deliver on time and lead to cost overruns include, but are not limited to:

- heightened geopolitical risk
- increase in raw material prices
- logistics challenges in the supply chain
- inability to attract and retain competent employees as activity levels increase

The project risks are managed following Cambi's risk management framework, which provides the necessary oversight and consistent approach to ensure that the company is not exposed to excessive risk or loss of opportunities.

## Financial risks

Through its business activities, Cambi is exposed to currency, credit, and liquidity risks.

Large parts of Cambi's revenues, expenses, receivables, bank deposits, and current liabilities are in foreign currencies, mainly USD, EUR and GBP. Future exchange rate variations could therefore have an impact on financial results. At the same time, raw material is purchased in foreign currency, and the operating costs of foreign entities are in local currency. To reduce the currency risk in contracts, the company seeks to include clauses that allow for adjustments to the price when the



actual foreign exchange rate differs significantly from the bid submission date. There were no currency instruments in place as of 31 December 2021.

Historically, losses on receivables have been low. No such losses were incurred in 2021. Cambi's end customers are usually public entities, with product delivery made through a subcontractor. Although some customers have paid later than the agreed schedules or milestones have been delayed outside of Cambi's control, the risk of eventually not receiving the entire amount due is low.

Cambi's liquidity risk is mainly related to longer payment terms on some contracts and customer-related delays in overall project execution.

## Ethics and governance

With Cambi's global presence, the company may be exposed to unethical and criminal behaviour in its value chain.

Cambi has zero tolerance for corruption and expects its suppliers, contractors, and partners to act according to the same standards. The company Code of Conduct is available on Cambi's website, detailing policies on related topics and providing a clear framework for how Cambi expects business to be conducted. A whistleblower channel was established this 2021 to encourage reporting on any concerns.

## Insurance

Cambi has worldwide liability insurance for all directors, officers, non-executive directors, and subsidiaries. The insurance is limited to USD 12 million and covers liability for financial loss and costs with crisis communication, kidnapping response, and reputation restoration.

If the subsidiaries reach the policy limit, there is additional personal coverage of up to USD 10 million for directors and officers.

# Share capital

Cambi ASA was listed on Euronext Growth Oslo under the ticker "CAMBI" in February 2021.

As of 31 December 2021, Cambi ASA's share capital amounted to NOK 3,201,474 divided into 160,073,700 shares at a nominal value of NOK 0.02 per share.

All company shares are of the same class, with each share equal to one vote and having equal rights, including dividend rights.

All information relevant to current and potential investors can be found in the Investors section at [cambi.com](http://cambi.com), on the Euronext Growth Oslo platform and on [newsweb.no](http://newsweb.no).



# Outlook

Cambi's technology position and the market fundamentals for the company's business remain strong, despite high global inflation, expensive energy, raw material shortages and supply chain disruptions.

Wastewater treatment infrastructure projects are complex and long-term endeavours with multiple drivers, from population growth to objectives for renewable energy production, nutrient recovery, and carbon reductions. Temporary market turmoil, such as the recent Covid-19 pandemic, usually has little impact on such projects apart from a higher risk of delays. Cambi's **active sales pipeline was up 20%** in 2021. The tender activity counted 78 different projects with a total value of NOK 5.7 billion.

In 2022, Cambi remains vigilant of the heightened geopolitical risk, increases in raw material prices and logistics challenges in the supply chain. There is an inherent risk of timing delays in municipal awards, resulting in a wide range of revenue outcomes in a short-term outlook.

The war in Ukraine has created uncertainty about the project in Lviv, which is currently on hold under the clause of force majeure. The total revenue recognised on the project as of year-end 2021 is NOK 40 million, with a remaining backlog of NOK 49 million. Cambi continues to monitor the situation and is in close dialogue with the company's consortium partner and the city of Lviv.

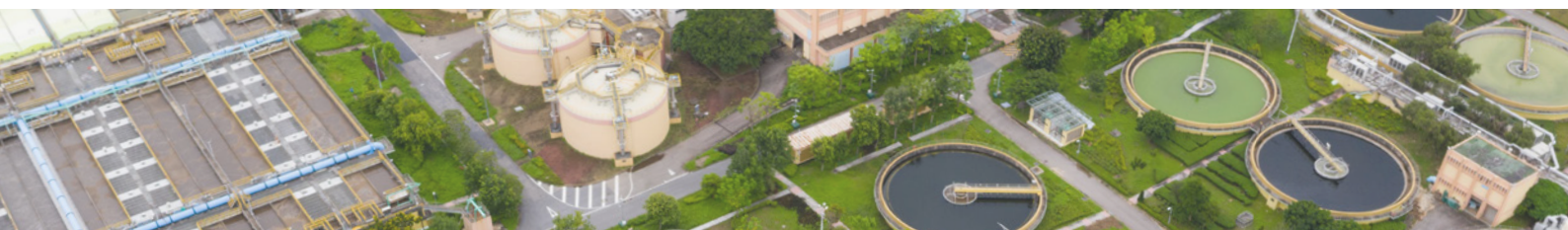
In the medium and long term, Cambi will continue to **leverage a strong technology position** in its

niche markets. The company remains confident in the rising demand for reliable, sustainable solutions for sewage sludge and organic wastes treatment from cities, utilities, and industries.

Thermal hydrolysis is an **increasingly attractive investment for water and wastewater utilities** worldwide, helping them achieve net-zero emissions while reducing their negative environmental impact from operations and the lifecycle costs of biosolids management. The adoption of circular economy models also draws attention to biogas from food waste and other organic waste streams.

As global climate mitigation efforts pick up the pace and European countries seek to eliminate the dependency on Russian natural gas imports while reducing greenhouse gas emissions, biogas demand is expected to increase significantly in the coming decade. **Europe and North America hold considerable untapped potential** for thermal hydrolysis while rising interest from emerging markets such as India, Brazil, South Africa, and Colombia warrants increased sales efforts.

Cambi focuses on organic growth and continuously assesses opportunities to acquire companies that provide complementary technologies and solutions.



## The Board of Cambi ASA

Asker, 21 April 2022



**Gro Merete Brækken**  
Chair of the board



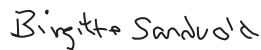
**Glen Thomas Daigger**  
Board member



**Anselmo Teixeira**  
Board member



**Arve Ree**  
Board member



**Birgitte Judith Sandvold**  
Board member



**Dragos Talvescu**  
Board member  
elected by the employees



**Per Audun Lillebø**  
President and CEO

# Financial statements

Cambi ASA

## Consolidated income statement for the year ended 31 December

in NOK million

	Note	2021	2020
<b>Operating income</b>	<b>2, 3</b>	<b>457.7</b>	<b>367.0</b>
Raw materials and consumables used		233.7	174.5
Payroll expenses	4, 5	122.5	110.0
Depreciation & amortisation expenses	6, 7	8.8	8.1
Other operating expenses	8, 9, 10	64.0	56.2
<b>Operating expenses</b>		<b>429.0</b>	<b>348.8</b>
<b>Operating profit</b>		<b>28.7</b>	<b>18.2</b>
Net financial items	11	-11.9	-0.3
<b>Profit (loss) before tax</b>		<b>16.8</b>	<b>17.9</b>
Income tax expense	12	4.9	4.2
<b>Net profit (loss)</b>		<b>11.9</b>	<b>13.7</b>
<b>Attributable to</b>			
Equity holders of the parent company		13.3	15.8
Non-controlling interests		-1.4	-2.1
<b>Brought forward</b>			
Equity brought forward	19	11.9	13.7

## Consolidated balance sheet as of 31 December

in NOK million

Assets	Note	2021	2020
Deferred tax asset	12	27.5	24.1
Goodwill	6	8.1	10.2
Other intangible assets	6	8.9	11.1
<b>Total intangible assets</b>		<b>44.5</b>	<b>45.4</b>
Land and buildings	7	15.2	14.3
Machinery and equipment	7	4.6	5.9
<b>Total tangible assets</b>		<b>19.8</b>	<b>20.2</b>
Investments in shares	13	2.1	2.1
<b>Total financial assets</b>		<b>2.1</b>	<b>2.1</b>
<b>Total non-current assets</b>		<b>66.4</b>	<b>67.7</b>
Inventories	14	45.1	27.3
Accounts receivables		51.4	57.8
Earned, not invoiced project revenue	15	77.8	69.0
Other receivables		10.8	14.8
<b>Total receivables</b>		<b>140.0</b>	<b>141.6</b>
Current financial investments	16	200.9	-
Cash and bank deposits	17	70.1	46.0
<b>Total current assets</b>		<b>456.1</b>	<b>214.9</b>
<b>Total assets</b>		<b>522.5</b>	<b>282.6</b>

## Consolidated balance sheet as of 31 December continued

in NOK million

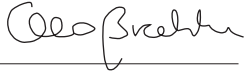
<i>Equity</i>	<b>Note</b>	<b>2021</b>	<b>2020</b>
Share capital	18	3.2	2.8
Own shares		0.0	0.0
Share premium		306.8	17.9
<b>Total paid-in capital</b>		<b>310.0</b>	<b>20.7</b>
Other equity attributable to the parent		129.0	116.5
Non-controlling interests		3.0	1.2
<b>Total retained earnings</b>		<b>132.0</b>	<b>117.7</b>
<b>Total equity</b>	<b>19</b>	<b>442.0</b>	<b>138.4</b>

in NOK million

<i>Liabilities</i>	<b>Note</b>	<b>2021</b>	<b>2020</b>
<b>Liabilities</b>			
Liabilities to financial institutions	21	2.4	14.7
<b>Total non-current liabilities</b>		<b>2.4</b>	<b>14.7</b>
Liabilities to financial institutions	21	-	36.2
Accounts payable		28.7	21.9
Taxes payable	12	1.8	2.9
Public duties payable		6.6	8.8
Accrued project costs, provisions, and guarantees	15	27.5	46.1
Other current liabilities		13.5	13.6
<b>Total current liabilities</b>		<b>78.1</b>	<b>129.5</b>
<b>Total liabilities</b>		<b>80.5</b>	<b>144.2</b>
<b>Total equity and liabilities</b>		<b>522.5</b>	<b>282.6</b>

## The Board of Cambi ASA

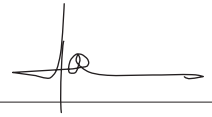
Asker, 21 April 2022



**Gro Merete Brækken**  
Chair of the board



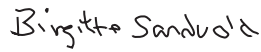
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Board member



**Anselmo Teixeira**  
Board member



**Arve Ree**  
Board member



**Birgitte Judith Sandvold**  
Board member



**Dragos Talvescu**  
Board member  
elected by the employees



**Per Audun Lillebø**  
President and CEO

## Consolidated cash flow statement for the year ended 31 December

in NOK million

	Note	2021	2020
<b>Cash flows from operating activities</b>			
Profit/loss before tax		16.8	17.9
Tax paid for the period	12	-6.0	-7.2
Ordinary depreciation	6, 7	8.8	8.1
Change in inventory		-17.9	-6.3
Change in accounts receivable		6.4	-25.2
Change in accounts payable		6.8	4.1
Effect of exchange rate fluctuations		2.8	-2.2
Change in other accrual items		-26.6	-5.2
<b>Net cash flows from operating activities</b>		<b>-8.9</b>	<b>-16.0</b>
<b>Cash flows from investment activities</b>			
Payments for the purchase of fixed assets	6, 7	-4.2	-6.1
Proceeds from sale of shares and participations in other companies		-	4.9
Payments for the purchase of shares in other companies		-	-2.7
Purchase of the last 20% of shares in Grønn Vekst AS		-	-11.9
Payments for the purchase of current financial investments	16	-200.0	-
<b>Net cash flows from investment activities</b>		<b>-204.2</b>	<b>-15.8</b>
<b>Cash flows from financing activities</b>			
Proceeds from the issuance of new current liabilities		31.0	31.0
Payments from the repayment of long-term liabilities		-12.3	-5.5
Payments from the repayment of current liabilities		-62.1	-81.0
Net change in bank overdraft		-5.1	5.1
Net proceeds from private placement	19	285.6	-
Change investment equity method		0.1	3.0
<b>Net cash flow from financing activities</b>		<b>237.2</b>	<b>-47.4</b>
Net change in cash and cash equivalents		24.1	-79.2
Cash and cash equivalents at the start of the period		46.0	125.2
<b>Cash and cash equivalents at the end of the period</b>		<b>70.1</b>	<b>46.0</b>

# Notes to the consolidated financial statements

For the year ended 31 December 2021

## Note 1 – Accounting principles

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway in effect on 31 December 2021, and consist of the income statement, balance sheet, cash flow statement and notes to the accounts. The financial statements are presented in Norwegian kroner (NOK), and values are rounded to the nearest million, except where otherwise indicated. The financial year follows the calendar year, with the balance sheet date at 31 December.

### *Consolidation principles*

Cambi's consolidated financial statements comprise Cambi ASA and companies in which Cambi ASA has a controlling interest (collectively "Cambi"). A controlling interest is normally achieved through ownership of more than 50% of the shares in a company, which allows the exercise of control over the company.

In the consolidated financial statements, investments in shares in subsidiaries are replaced by the subsidiaries' assets and liabilities. The consolidated financial statements are prepared as if Cambi were one economic unit. Transactions, unrealised profits and receivables, and debt between the companies in which Cambi has a controlling interest are eliminated in the consolidated financial statements. The consolidated financial statements have been prepared in accordance with the same accounting principles for both the parent company and subsidiaries.

Business combinations are accounted for by using the acquisition method. Acquired subsidiaries are thereby recognised in the consolidated financial statements based on the parent company's acquisition cost. The acquisition cost is allocated to identifiable assets and liabilities in the subsidiary, which are recognised in the consolidated financial statements at fair value at the time of the acquisition. Any acquisition cost in excess of the fair value of identifiable assets acquired and liabilities assumed at the acquisition date is recognised as goodwill in the consolidated financial statements. Goodwill is treated as a residual value belonging to the controlling interest only. Fair values in excess of the subsidiary's book value for assets acquired and liabilities assumed in the business combination are amortised over the expected useful lives of the acquired assets. Goodwill is amortised over a maximum of 10 years. Minority interests are included in equity.

Companies acquired or sold during the year are included in the consolidated financial statements from the date when control is achieved until control ceases.

Assets and liabilities of foreign subsidiaries are translated to NOK using the exchange rate on the balance sheet date. Income and expenses are translated using the average exchange rate for the year. Foreign exchange differences arising from these translations are recognised directly in equity. The translation differences are reclassified to the income statement upon disposal or liquidation of the subsidiary.

### *Investments in associates*

An associate is an entity over which Cambi has a significant influence but no control over the management of finances or operations (normally when Cambi owns 20% to 50% of the company). The consolidated financial statements include Cambi's share of the profits/ losses from associates, accounted for using the equity method, from the date when a significant influence is achieved until such influence ceases.



When Cambi's share of a loss exceeds Cambi's investment in an associate, the amount carried in Cambi's balance sheet is reduced to zero. Further losses are not recognised unless Cambi has an obligation to cover any such loss.

#### *Use of estimates*

The management used estimates and assumptions that have affected assets, liabilities, incomes, expenses and information on potential liabilities in accordance with generally accepted accounting principles in Norway. The best estimate at the time of preparing the financial statements has been used, but actual figures may deviate from these estimates once realised.

#### *Revenue recognition*

Revenue from the sale of goods is recognised in the income statement once delivery has taken place and most risk and return has been transferred. Revenue from construction contracts is recognised in the income statement according to the projects' progress. Progress is set as management's best estimate based on the level of completion, incurred cost, and the number of hours spent compared to the total estimate. Total project costs are estimated and recognised at the same percentage, with the addition of contingency.

Accrued project revenue and cost are recorded net in the balance sheet; hence, advance invoicing is categorised as short-term debt in the balance sheet. Each project is valued separately. A calculation of the expected guarantee cost for each construction contract is made and is expensed according to progress. The estimate is based on the experienced cost for guarantee-related work. The accrued amount is classified as current liabilities. The accrued amount is reduced by actual cost, and the residual is reversed at the end of the guarantee period.

#### *Pensions*

Cambi has various pension schemes that comply with the regulations in the different territories where the company operates. The pension schemes are classified as a contribution plan, under which the company pays contributions to privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The contributions are recognised as personnel costs when due. The company has no legal or constructive obligation to pay further pension contributions. Prepaid contributions are reflected as an asset to the degree the contribution can be refunded or will reduce future payments.

#### *Income tax*

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/ tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 22% of temporary differences and the tax effect of tax losses carried forward. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilised. Taxes payable and deferred taxes are recognised directly in equity to the extent they relate to equity transactions.

#### *Balance sheet classification*

Current assets and current liabilities consist of receivables and payables due within one year and items related to the trading cycle. Other balance sheet items are classified as fixed assets/ long-term liabilities. The first year's instalments on long-term debt are not classified as short-term but specified in a note.

Current assets are valued at the lower of cost and fair value. Current liabilities are recognised at nominal value. Fixed assets are valued at cost less depreciation and impairment losses. Long-term liabilities are recognised at nominal value.

#### *Purchase costs*

The purchase cost of assets includes the cost price for the asset adjusted for bonuses, discounts, and other rebates

received, and purchase costs (freight, customs fees, public fees which are non-refundable and any other direct purchase costs). Purchases in foreign currencies are reflected in the balance sheet at the exchange rate at the transaction date. For fixed and intangible assets, purchase cost also includes direct expenses to prepare the asset for use, such as expenses for testing the asset.

#### *Intangible fixed assets*

Expenses for research and development (R&D) are capitalised provided that a future financial benefit relating to the development of an identifiable intangible asset can be identified, and the expenses can be reliably measured. Otherwise, such items are expensed as and when incurred. Identifiable intangible assets arising from business combinations are recognised under the same criteria. All intangible fixed assets are depreciated on a straight-line basis according to the expected useful life.

#### *Tangible fixed assets*

Property, plant and equipment are capitalised and depreciated to residual value linearly over the asset's expected useful life. If changes in the depreciation plan occur, the effect is distributed over the remaining depreciation period. Land is not depreciated. Significant fixed assets consisting of substantial components with dissimilar economic lives have been unbundled; depreciation of each component is based on its economic life.

Costs for maintenance are expensed as incurred, whereas costs for improving and upgrading property, plant and equipment are added to the acquisition cost and depreciated with the related asset. The split between maintenance and improvements is calculated according to the asset's condition at the acquisition date.

#### *Investment in other companies*

Shares in subsidiaries and associates are valued at cost less any impairment losses in the company accounts. The cost price is increased when funds are added through capital increases or Cambi makes contributions to the subsidiaries. Dividends received are initially taken to income. If dividends or Cambi contributions exceed withheld profits after the acquisition date, the excess amount represents repayment of invested capital, and the distribution will be deducted from the recorded value of the investment in the balance sheet for the parent company. Dividends or Cambi contributions from subsidiaries are reflected in the same year as the subsidiary makes a provision for the amount. Dividends from other companies are reflected as financial income when approved.

#### *Asset impairments*

Impairment tests are carried out if there is an indication that the carrying amount of a fixed asset exceeds the estimated recoverable amount. The test is performed on the lowest level of fixed assets at which independent cash flows can be identified. If the carrying amount is higher than both the fair value less cost to sell and the value in use, i.e., the net present value of future use/ ownership, the asset is written down to the highest of fair value less cost to sell and the value in use. Previous impairment charges, except for write-down of goodwill, are reversed in later periods if the conditions causing the write-down are no longer present.

#### *Inventories*

Inventories are recognised at the lowest of cost and net selling price. Self-manufactured finished goods and goods in construction are valued at full production cost. A write-down is made for predictable obsolescence.

#### *Accounts receivable and other receivables*

Accounts receivable and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful debts. Provisions for doubtful debts are based on individual assessments of the receivables. For the remaining receivables, a general provision is estimated based on expected loss.

### Foreign currencies

Transactions in foreign currencies are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into NOK using the exchange rate applicable on the balance sheet date. Non-monetary items measured at their historical price expressed in a foreign currency are translated into NOK using the exchange rate applicable on the transaction date. Non-monetary items measured at their fair value expressed in a foreign currency are translated at the exchange rate applicable on the balance sheet date. Changes to exchange rates are recognised in the income statement as they occur during the accounting period.

### Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents include cash, bank deposits and other short-term, highly liquid investments with maturities of three months or less.

## Note 2 – Segments

in NOK million

	<i>Cambi Group</i>		<i>Cambi Invest</i>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Operating income	358.9	265.4	98.8	101.5
Raw materials and consumables used	169.9	112.0	63.8	62.5
<b>Gross margin</b>	<b>189.0</b>	<b>153.4</b>	<b>35.0</b>	<b>39.0</b>
Payroll expenses	104.4	91.9	18.1	18.1
Other operating expenses	49.9	45.4	14.1	10.7
<b>EBITDA</b>	<b>34.7</b>	<b>16.1</b>	<b>2.8</b>	<b>10.2</b>
Depreciation and amortisation	6.8	6.8	2.0	1.3
<b>EBIT</b>	<b>27.9</b>	<b>9.3</b>	<b>0.8</b>	<b>8.9</b>

### Note 3 – Revenue by region

in NOK million

	<i>Cambi Group</i>		<i>Cambi Invest</i>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Europe	165.6	150.5	98.8	101.5
America	88.3	75.1	-	-
Asia	87.7	39.0	-	-
Oceania	2.7	0.9	-	-
Africa	14.6	-	-	-
<b>Total sales revenue</b>	<b>358.9</b>	<b>265.5</b>	<b>98.8</b>	<b>101.5</b>

### Note 4 – Employee benefits

*Payroll expenses*

in NOK million

	<b>2021</b>	<b>2020</b>
Salary	100.3	90.1
Social security	12.8	11.7
Pension cost	4.9	4.4
Other personnel related expenses	4.4	3.8
<b>Total</b>	<b>122.4</b>	<b>110.0</b>
Employees at year-end	128	127
Full-time equivalent (FTE)	129	125
Full-time contractors	10	10

#### *Pension costs*

Cambi has several different pension plans around the world, which as a minimum, fulfil the legal requirements in each jurisdiction. All employees in Norway are offered participation in a defined pension contribution plan. Cambi makes contributions regularly to the employees' individual pension accounts. Pension plan contributions are recognised as an expense in the income statement as incurred.

## Note 5 – Management and Board remuneration

Remuneration to management

in NOK thousand

Name	Position	Fixed compensation	Variable compensation	Pension benefits	Other benefits
Per Audun Lillebø	President and CEO Cambi ASA	1,310		80	12
Eirik Fadnes	CEO Cambi Group	1,773	86	80	12
Maarten Kanters	MD Cambi Invest	1,183	132	76	12

The members of the corporate management team have performance-based compensation. No member in the management team has agreements for share-based payments, loans or guarantees. Cambi Group's CEO is entitled to six months' severance pay. Information on ownership of company shares is given in note 18.

Directors' terms, compensation and shares

in NOK thousand

	Position	Served since	Term expires	Compensation
Gro Merete Brækken	Chair	1 December 2009	30 June 2023	500
Glen Thomas Daigger	Member	21 April 2015	30 June 2023	342
Anselmo Teixeira	Member	21 April 2015	30 June 2023	433
Birgitte Judith Sandvold	Member	21 April 2015	30 June 2023	0
Arve Ree	Member	9 December 2015	30 June 2023	0
Dragos Talvescu	Member	1 October 2020	31 May 2023	0

In addition to the remuneration above, the employee representative receives a market-based salary for regular employment in Cambi. Other members of the Board are not entitled to any remuneration. The Board of Directors is not entitled to severance pay, and there are no loans or guarantees given to any of its members. Additional information on ownership of shares is found in note 18.

## Note 6 – Goodwill and other intangible assets

Goodwill and customer contracts represent the consideration paid in excess of identifiable assets and liabilities from the acquisition of Grønn Vekst AS (GV) and its former non-controlling interest in Grønn Vekst Norge AS (GVN). The initial investment in Grønn Vekst AS was made in 2017 (80%), with the remaining shares acquired in 2020 (20%). The excess value was mainly related to customer contracts, with the remaining classified as goodwill.

### Goodwill

in NOK million

	<b>GV (80%)</b>	<b>GVN (50%)</b>	<b>GV (20%)</b>	<b>Total</b>
Acquisition cost as of 1 January	7.5	3.2	4.8	15.5
<b>Acquisition cost as of 31 December</b>	<b>7.5</b>	<b>3.2</b>	<b>4.8</b>	<b>15.5</b>
Accumulated amortisation as of 1 January	3.0	1.0	0.7	5.3
Amortisation current year	0.7	0.6	0.7	2.1
<b>Accumulated amortisation as of 31 December</b>	<b>3.7</b>	<b>2.2</b>	<b>1.4</b>	<b>7.4</b>
<b>Net book value 31 December</b>	<b>3.8</b>	<b>1.0</b>	<b>3.4</b>	<b>8.1</b>

Amortisation period	10 years	5 years	7 years
Depreciation schedule	Linear	Linear	Linear

### Other intangible assets

in NOK million

	<b>Customer contracts</b>	<b>R&amp;D</b>	<b>Total</b>
Acquisition cost as of 1 January	13.6	4.8	18.4
Additions	-	0.1	0.1
<b>Acquisition cost as of 31 December</b>	<b>13.6</b>	<b>4.9</b>	<b>18.5</b>
Accumulated amortisation as of 1 January	5.4	1.9	7.3
Amortisation current year	1.4	1.0	2.3
<b>Accum amortisation as of 31 December</b>	<b>6.8</b>	<b>2.9</b>	<b>9.6</b>
<b>Net book value 31 December</b>	<b>6.8</b>	<b>2.0</b>	<b>8.9</b>

Depreciation period	10 years	5 years
Depreciation schedule	Linear	Linear

## Note 7 – Tangible fixed assets

in NOK million

	<b>Machinery &amp; equipment</b>	<b>Land &amp; buildings</b>	<b>Total</b>
Acquisition cost as of 1 January	25.0	15.4	40.4
Additions	2.3	1.7	4.0
Disposals	-1.5	-	-1.5
Currency exchange differences	0.1	-	0.1
<b>Acquisition cost as of 31 December</b>	<b>25.9</b>	<b>17.1</b>	<b>43.0</b>
Accumulated depreciation as of 1 January	19.1	1.1	20.2
Depreciation of the year	3.6	0.8	4.4
Disposals	-1.5	-	-1.5
Currency exchange differences	0.1	-	0.1
<b>Accumulated depreciation as of 31 December</b>	<b>21.3</b>	<b>1.9</b>	<b>23.2</b>
<b>Net book value</b>	<b>4.6</b>	<b>15.2</b>	<b>19.8</b>

Useful economic value	1-5 years	10-30 years
Depreciation schedule	Linear	Linear

## Note 8 – Audit fee

Auditor's fee

in NOK thousand

	<b>2021</b>	<b>2020</b>
Audit fee	1,921	1,542
Attestation services	11	61
Other services	141	642
<b>Total</b>	<b>2,073</b>	<b>2,245</b>

In addition, the company has spent NOK 0.2 million on audit and control in connection with the share issue in February 2021. It is recognised in equity as part of the cost of the share issue.

## Note 9 – Other operating expenses

in NOK million

	2021	2020
Property rent	7.0	7.1
Other office costs	11.9	10.3
External services	25.8	19.7
Marketing	4.4	2.8
Other operating expenses	14.9	16.2
<b>Total</b>	<b>64.0</b>	<b>56.1</b>

Cambi has seven contracts for the rental of offices and other premises with leasing periods of 1-3 years.

## Note 10 – Governmental subsidies and R&D

Cambi had four R&D projects within the Skattefunn tax relief scheme in 2021. The company receives a 19% tax relief for costs related to these R&D projects. In addition, Cambi has received grants from Innovation Norway, Norges Forskningsråd (the Norwegian Research Council) and Norad (the Norwegian Agency for Development Cooperation) to develop new products and services, improve existing technologies, and enter new markets in developing countries. Subsidies are recognised as a reduction of other operating expenses.

in NOK million

	2021	2020
Skattefunn	1.4	1.0
Other subsidies	2.1	3.5
<b>Total</b>	<b>3.5</b>	<b>4.5</b>

*R&D expenses not qualified for capitalisation*

in NOK million

	2021	2020
Net R&D expenses	9.8	10.5

Future earnings from current R&D projects are expected to cover expenditures.



## Note 11 – Financial income and expense

in NOK million

	2021	2020
<b>Financial income</b>		
Profit share from investment in related companies	0.1	-
Interest income	1.5	0.4
Currency exchange gains	28.9	48.2
Other financial income	-	2.2
<b>Total</b>	<b>30.5</b>	<b>50.8</b>
<b>Financial expense</b>		
Financial assets impairments*	0.5	0.1
Loss share from investment in related companies	0.1	2.7
Currency exchange loss	35.4	42.1
Other interest expenses	3.3	3.3
Bank guarantees	2.9	2.6
Other financial expenses	0.2	0.3
<b>Total</b>	<b>42.4</b>	<b>51.1</b>
<b>Net financial income and expense</b>	<b>-11.9</b>	<b>-0.3</b>

\* for details, see note 16

## Note 12 – Tax

in NOK million

	2021	2020
<b>Income tax expense</b>		
Tax payable	4.5	7.3
Correction in tax payable previous year	-	1.1
Change in deferred tax	0.4	-4.2
<b>Total</b>	<b>4.9</b>	<b>4.2</b>
<b>Basis for deferred tax in Norway</b>	<b>change</b>	
Fixed assets	1.4	5.0
Construction contracts	-63.8	97.5
Receivables	-5.0	-0.3
Other temporary differences	-3.5	-5.8
Tax losses carried forward	86.2	-221.7
<b>Total</b>	<b>15.3</b>	<b>-125.3</b>
Deferred tax in Norway (22%)	3.4	-27.6
Deferred tax in other countries	-	0.1
<b>Total</b>	<b>3.4</b>	<b>-27.5</b>

The tax effect of costs related to the capital increase is booked directly to deferred tax assets. The effect is NOK 3.7 million. Deferred tax assets are expected to be offset against future profits.

<b>Tax payable split by country</b>		
Norway		2.1
UK	3.2	4.2
Other	1.3	1.0
<b>Total</b>	<b>4.5</b>	<b>7.3</b>
<b>Tax payable in the balance sheet</b>		
Tax payable as of 1 January	2.9	3.9
Tax payable in income tax expenses	4.5	7.3
Tax paid in the period	-6.0	-7.2
Other	0.4	-1.1
<b>Tax payable as of 31 December</b>	<b>1.8</b>	<b>2.9</b>

Explanation of income tax expense

in NOK million

	2021		2020	
Result before tax	16.8		17.9	
22% of result before tax	3.7	22.0%	3.9	22.0%
Differences between local and Norwegian tax regimes	0.9	5.1%	2.5	14.0%
Permanent differences	0.3	2.2%	-1.0	-5.7%
Other effects	-0.0	-0.3%	-1.2	-6.7%
<b>Total</b>	<b>4.9</b>	<b>29.0%</b>	<b>4.2</b>	<b>23.6%</b>

Note 13 – Group companies and associated companies

Group companies

	Ownership 2021	Ownership 2020	Country
Cambi Group AS	100.0%	100%	Norway
Cambi Solutions AS	100.0%	100%	Norway
Cambi Spain SLU	100.0%	100%	Spain
Cambi Operations Ltd.	100.0%	100%	United Kingdom
Cambi Danmark AS	100.0%	100%	Denmark
Cambi Deutschland GmbH	100.0%	100%	Germany
Cambi SAS	100.0%	100%	France
Cambi Inc	100.0%	100%	USA
Cambi Korea	60.2%	51%	South Korea
Cambi PTE Ltd	100.0%	100%	Singapore
Cambi UK Ltd.	100.0%	100%	United Kingdom
Cambi Environmental Technology Ltd	100.0%	100%	China
Cambi Technology AS	100.0%	100%	Norway
Grønn Vekst AS	100.0%	100%	Norway

Shares in non-controlling interests

	Ownership 2021	Ownership 2020	Country
Grønn Vekst Telemark AS	50.0%	50.0%	Norway
Minorga Vekst AS	50.0%	50.0%	Norway
EQ Renewables	40.0%	40.0%	USA
Orwaco CJSC	29.9%	29.9%	Armenia

All shares have equal voting rights; hence the ownership percentage corresponds to the voting value. Associated companies are recorded in the consolidated financial statement using the equity method.

Change in book value of associated companies

in NOK million

	Grønn Vekst Telemark AS	Minorga Vekst AS	EQ Renewables	Orwaco CJSC	Total
Balance as of 1 January	1.1	-	0.3	0.7	2.1
Share of profit (loss)	0.1	-	-0.1	-	-0.0
<b>Balance as of 31 December</b>	<b>1.2</b>	<b>-</b>	<b>0.2</b>	<b>0.7</b>	<b>2.1</b>

Note 14 – Inventories

in NOK million

	2021	2020
Plants under construction	28.0	14.6
Raw materials	3.3	4.5
Goods purchased for resale	6.9	3.4
Manufactured goods	6.9	4.8
<b>Total</b>	<b>45.1</b>	<b>27.3</b>

## Note 15 – Customer construction contracts

Cambi had 13 ongoing construction projects at the end of 2021 compared to 9 projects at the end of 2020.

The table below presents the accumulated contributions for ongoing projects recognised through profit and loss, from the projects' commencements until year-end 2021.

*Net contribution from ongoing projects*

in NOK million

	2021	2020
Accumulated recorded revenue for ongoing projects	348.6	227.1
Accumulated cost related to recorded revenue	153.8	101.8
<b>Total</b>	<b>194.8</b>	<b>125.3</b>

The total order intake on these projects calculated at current exchange rates is NOK 671 million, of which NOK 349 million is recognised as revenue. The remaining order backlog is NOK 322 million.

*Accrued revenue in the balance sheet*

in NOK million

	2021
Earned, not invoiced revenue on construction contracts	77.8

*Accrued project cost in the balance sheet*

in NOK million

	2021
Accrued project cost	14.1
Prepaid income	5.3
Guarantee accruals	8.1
<b>Total</b>	<b>27.5</b>

Order backlog at year-end increased from NOK 438 million in 2020 to NOK 460 million in 2021. The difference from the construction projects backlog of NOK 322 million at year-end 2021 is accounted for by the Recycling and Services subsegments, with NOK 120 million and NOK 10 million, respectively, and by currency exchange fluctuations.

## Note 16 – Current financial investment

	Cost	Market value	Impairment
Investment in interest funds	201.4	200.9	0.5

The investment is valued at the lowest of cost price and market value, resulting in an impairment of NOK 510 thousand. The investment funds are classified as fixed-income securities with short maturities and low-risk profiles.

## Note 17 – Bank deposits

in NOK million

	2021	2020
Cash pool (Norway)	11.5	0.6
Withholding tax account (Norway)	2.7	2.4
Other current accounts	55.9	43.0
<b>Total</b>	<b>70.1</b>	<b>46.0</b>

## Note 18 – Share capital and ownership

Cambi ASA was listed on Euronext Growth in February 2021. Each existing share was split into 50 new shares, and 21 million new shares were issued in a private placement. Total share capital as of 31 December 2021 was NOK 3,201,474, distributed in 160,073,700 shares with a face value of NOK 0.02 per share.

### Shares owners

	Number of shares	Ownership
Cortex AS	95,009,950	59.35%
AWC AS	30,177,850	18.85%
Verdipapirfondet DNB Miljøinvest	5,343,228	3.34%
JP Morgan Bank Luxembourg SA	3,593,534	2.24%
Caceis Bank	3,061,254	1.91%
BNP Paribas Securites Services	2,473,848	1.55%
The Bank of New York Mellon SA/NV	2,070,378	1.29%
Other shareholders (less than 1% holding)	18,221,858	11.38%
<b>Total issued shares</b>	<b>159,951,900</b>	
Own shares	121,800	
<b>Total share capital</b>	<b>160,073,700</b>	

As of 31 December, the President and CEO of Cambi ASA indirectly controls 95,009,950 shares through the company Cortex AS. Board member Birgitte Judith Sandvold has 20% ownership in Cortex AS. Board member Arve Ree represents 30,177,850 shares owned by AWC AS. Among the other shareholders, the Cambi Group CEO owns 1,263,889 shares through EFC Havn AS. The Managing Director of Cambi Invest owns 165,000 shares.

## Note 19 – Equity

in NOK million

	Share capital	Own shares	Share premium	Other equity	Minority interests	Total
Equity as of 31 December 2020	2.8	-0.0	17.9	116.5	1.2	138.4
Annual profit	-	-	-	13.3	-1.4	11.9
Share capital increase	0.4	-	302.0	-	-	302.4
Cost of emission (net of tax)	-	-	-13.1	-	-	-13.1
Investment in subsidiary	-	-	-	-3.2	3.2	-
Currency exchange differences	-	-	-	2.4	-0.0	2.4
<b>Equity as of 31 December 2021</b>	<b>3.2</b>	<b>-0.0</b>	<b>306.8</b>	<b>129.0</b>	<b>3.0</b>	<b>442.0</b>

21 million new shares were sold at NOK 14.4 per share.

## Note 20 – Security obligations and guarantees

As security for ongoing long-term contracts, the parent company provides bank guarantees towards the subsidiaries' clients. The parent company has a guarantee limit of NOK 220 million. At the end of 2021, NOK 126.5 million was drawn on the frame agreement.

The parent company has issued a surety bond towards Innovation Norway in connection with the loan of NOK 6 million granted to Cambi Technology.

The parent company operates as an indemnitor for a surety bond of USD 15 million from Zürich Insurance Public Limited company and for a surety bond of NOK 300 million from Tryg Garanti. The Zürich facility is for Cambi Inc in the USA. USD 14.3 million was drawn on this facility as of 31 December 2021. The Tryg Garanti is for Cambi companies outside the USA. Nothing was drawn on this facility at year-end.

The Norwegian legal units are jointly and severally liable for the account scheme in DNB and for VAT as a consequence of group registration.

### Security obligations

in NOK million

	2021	2020
Warehouse stock	6.9	4.8
Tangible assets	19.4	17.9
Accounts receivable	73.1	44.6
Shares	54.4	45.5
<b>Total</b>	<b>153.8</b>	<b>112.8</b>

## Note 21 – Liabilities to financial institutions

in NOK million

	2021	2020
<b>Current liabilities</b>		
Overdraft	-	5.1
Export credit	-	31.1
<b>Total</b>	<b>-</b>	<b>36.2</b>
<b>Non-current liabilities</b>		
Loan main bank	-	4.0
Loan Innovation Norway	1.5	2.2
Construction loan	-	7.0
Other long-term liabilities	0.9	1.5
<b>Total</b>	<b>2.4</b>	<b>14.7</b>
<b>Repayment profile non-current liabilities</b>		
Maturity less than 1 year	1.3	12.3
Maturity of 1-5 years	1.1	2.4
Maturity of more than 5 years	-	-
<b>Total</b>	<b>2.4</b>	<b>14.7</b>

## Note 22 – Events after balance sheet date

The escalation of events in Ukraine has created uncertainty about Cambi's project in Lviv. The project is currently on hold under the clause of force majeure. Total revenue recognised on the project as of year-end 2021 is NOK 40 million, with a remaining backlog of NOK 49 million. Cambi continues to monitor the situation and is in close dialogue with the company's consortium partner and the city of Lviv.



# Financial statements

Cambi ASA (parent company only)

## Income statement for the year ended 31 December

in NOK million

	Note	2021	2020
<b>Operating income</b>			
Payroll expenses	2	0.7	0.4
Other operating expenses		4.9	2.3
<b>Operating expenses</b>		<b>5.6</b>	<b>2.7</b>
<b>Operating profit</b>		<b>-5.6</b>	<b>-2.7</b>
<b>Net financial items</b>	<b>3</b>	<b>1.0</b>	<b>-0.3</b>
<b>Profit (loss) before tax</b>		<b>-4.6</b>	<b>-3.0</b>
Income tax expense	4	-0.9	-0.6
<b>Net profit (loss)</b>		<b>-3.7</b>	<b>-2.4</b>
<b>Brought forward</b>			
From other equity		3.7	2.4

## Balance sheet as of 31 December

in NOK million

<i>Assets</i>	<i>Note</i>	<b>2021</b>	<b>2020</b>
Deferred tax asset	4	16.2	11.6
<b>Total intangible assets</b>		<b>16.2</b>	<b>11.6</b>
Investments in subsidiaries	7, 12	82.6	82.6
<b>Total financial assets</b>		<b>82.6</b>	<b>82.6</b>
<b>Total non-current assets</b>		<b>98.8</b>	<b>94.2</b>
Other current receivables	9	95.9	2.6
Current financial investments	8	200.9	
Cash and bank deposits	10	21.8	0.6
<b>Total current assets</b>		<b>318.6</b>	<b>3.2</b>
<b>Total assets</b>		<b>417.4</b>	<b>97.4</b>

in NOK million

<i>Equity</i>	<i>Note</i>	<b>2021</b>	<b>2020</b>
<b>Restricted equity</b>			
Share capital	5	3.2	2.8
Own shares		-0.0	-0.0
Share premium		306.8	17.9
<b>Total paid-in capital</b>		<b>310.0</b>	<b>20.7</b>
Other equity		23.4	27.1
<b>Total retained earnings</b>		<b>23.4</b>	<b>27.1</b>
<b>Total equity</b>	<b>6</b>	<b>333.4</b>	<b>47.8</b>

## Balance sheet as of 31 December

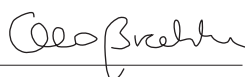
continued

in NOK million

<i>Liabilities</i>	<b>Note</b>	<b>2021</b>	<b>2020</b>
Liabilities to financial institutions	11	0	4.0
<b>Total non-current liabilities</b>		<b>0</b>	<b>4.0</b>
Accounts payable		0.3	1.6
Other current liabilities	9	83.6	44.0
<b>Total current liabilities</b>		<b>84.0</b>	<b>45.6</b>
<b>Total liabilities</b>		<b>84.0</b>	<b>49.6</b>
<b>Total equity and liabilities</b>		<b>417.4</b>	<b>97.4</b>

### The Board of Cambi ASA

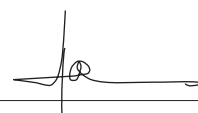
Asker, 21 April 2022



**Gro Merete Brækken**  
Chair of the Board



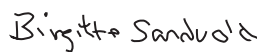
**Glen Thomas Daigger**  
Board member



**Anselmo Teixeira**  
Board member



**Arve Ree**  
Board member



**Birgitte Judith Sandvold**  
Board member



**Dragos Talvescu**  
Board member elected  
by the employees



**Per Audun Lillebø**  
President and CEO

## Indirect cash flow statement for the year ended 31 December

in NOK million

	2021	2020
<b>Cash flows from operating activities</b>		
Profit (loss) before tax	-4.5	-3.0
Change in accounts payable	-1.3	0.8
Change in other accrual items	0.7	-1.8
<b>Net cash flow from operating activities</b>	<b>-5.1</b>	<b>-4.0</b>
<b>Cash flows from investment activities</b>		
Payments for the purchase of money market fund shares	-200.0	-
Payments to buy shares in other companies	-	-11.9
Proceeds from sales of shares in other companies	-	4.9
<b>Net cash flow from investment activities</b>	<b>-200.0</b>	<b>-7.0</b>
<b>Cash flows from financing activities</b>		
Repayments of long-term liabilities	-4.0	-4.0
Net change of group's debt/loan	-55.4	-34.3
Proceeds from dividend	-	6.6
Net proceeds from private placement	285.6	-
<b>Net cash flow from financing activities</b>	<b>226.2</b>	<b>-31.7</b>
<b>Net change in cash and cash equivalents</b>	<b>21.2</b>	<b>-42.7</b>
Cash and cash equivalents at the start of the period	0.6	43.3
<b>Cash and cash equivalents at the end of the period</b>	<b>21.8</b>	<b>0.6</b>

# Notes to the financial statements

For the year ended 31 December 2021

## **Note 1 - Accounting Principles**

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in effect in Norway on 31 December 2021 and consist of the income statement, balance sheet, cash flow statement and notes to the accounts. The financial statements are presented in Norwegian kroner (NOK), and values are rounded to the nearest million, except where otherwise indicated. The financial year follows the calendar year, with the balance sheet date on 31 December.

### *Foreign currency translation*

Transactions in foreign currencies are translated at the rate applicable on the transaction date. Monetary items and non-monetary items measured at their fair value expressed in a foreign currency are translated into NOK using the exchange rate applicable on the balance sheet date. Non-monetary items measured at their historical price expressed in a foreign currency are translated into NOK using the exchange rate applicable on the transaction date. Changes to exchange rates are recognised in the income statement as they occur during the accounting period.

### *Income tax*

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/ tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 22% of temporary differences and the tax effect of tax losses carried forward. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilised. Taxes payable and deferred taxes are recognised directly in equity to the extent they relate to equity transactions.

### *Balance sheet classification*

Current assets and current liabilities consist of receivables and payables due within one year and items related to the trading cycle. Other balance sheet items are classified as fixed assets / long-term liabilities. The first year's instalments on long-term debt are not classified as short-term but specified in a note.

Current assets are valued at the lower of cost and fair value. Short-term liabilities are recognised at nominal value. Fixed assets are valued at cost, less depreciation and impairment losses. Long-term liabilities are recognised at nominal value.

### *Investment in other companies*

Shares in subsidiaries and associates are valued at cost less any impairment losses in the company accounts. The cost price is increased when funds are added through capital increases or Cambi makes contributions to the subsidiaries. Dividends received are initially taken to income. If dividends or Cambi contributions exceed withheld profits after the acquisition date, the excess amount represents repayment of invested capital, and the distribution will be deducted from the recorded value of the investment in the balance sheet for the parent company. Dividends or Cambi contributions from subsidiaries are reflected in the same year as the subsidiary makes a provision for the amount. Dividends from other companies are reflected as financial income when approved.

### *Accounts receivable and other receivables*

Accounts receivable and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful accounts. Provisions for doubtful accounts are based on individual assessments of the different receivables. For the remaining receivables, a general provision is estimated based on expected loss.

### *Cash flow statement*

The cash flow statement is presented using the indirect method. Cash and cash equivalents include cash, bank deposits and other short-term, highly liquid investments with maturities of three months or less.

## **Note 2 - Salary and allowances**

### *Payroll expenses*

in NOK thousand

	<b>2021</b>	<b>2020</b>
Remuneration to the Board	575	377
Social security	81	47
<b>Sum</b>	<b>656</b>	<b>424</b>

Camby ASA has no employees. The company's payroll expenses are related to the Norwegian Board members.

### *Pension obligations*

The company has no employees and is not obliged to have an occupational pension under the Act on Mandatory Occupational Pensions.

### *Auditor*

The company has in 2021 paid NOK 0.4 million ex VAT for audit services. In addition, the company has spent NOK 0.1 million on other services from the auditor taken into account in the income statement and NOK 0.3 million for services related to the emission of shares booked directly to equity.

### Note 3 - Financial income and expense

in NOK million

	2021	2020
<b>Financial income</b>		
Currency gains	0.1	0.2
Interest income from Cambi companies	1.1	1.1
Other interest income	0.0	0.2
Interest income investments	1.4	-
<b>Total</b>	<b>2.6</b>	<b>1.5</b>
<b>Financial expense</b>		
Currency loss	0.1	0.1
Interest expense to Cambi companies	0.2	0.7
Other interest expense	0.8	1.0
Financial instruments at fair value	0.5	-
<b>Total</b>	<b>1.6</b>	<b>1.8</b>
<b>Net financial items</b>	<b>1.0</b>	<b>-0.3</b>

## Note 4 - Tax

in NOK million

	2021	2020
<b>Tax expense</b>		
Change in deferred tax	-0.9	-0.6
<b>Total</b>	<b>-0.9</b>	<b>-0.6</b>
<b>This year's tax base</b>		
Result before tax	-4.5	-3.0
Permanent differences	0.5	0.0
Permanent difference recognised in equity	-16.8	
<b>Total</b>	<b>-20.8</b>	<b>-3.0</b>
<b>Tax payable in balance</b>		
Tax payable on current year's result	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Calculation of efficient tax rate</b>		
Result before tax	-4.5	-3.0
22% tax on result before tax	-1.0	-0.6
Tax effect permanent differences	0.1	0.0
<b>Total</b>	<b>-0.9</b>	<b>-0.6</b>
Efficient tax rate	19.5%	21.6%

### Base for deferred tax asset

in NOK

	2021	2020	Change
Accumulated loss carried forward	-73.8	-52.9	-20.8
<b>Total</b>	<b>-73.8</b>	<b>-52.9</b>	<b>-20.8</b>
<b>Deferred tax asset (22%)</b>	<b>-16.2</b>	<b>-11.6</b>	<b>-4.6</b>

The tax effect of costs related to the capital increase is booked directly to deferred tax assets. The tax effect is NOK 3.7 million. The remaining change in deferred tax is recognised in the income statement with NOK 0.9 million.



## Note 5 – Share capital and ownership

Cambi ASA was listed on Euronext Growth in February 2021. Each existing share was split into 50 new shares, and 21 million new shares were issued in a private placement. Total share capital as of 31 December 2021 was NOK 3,201,474, distributed in 160,073,700 shares with a face value of NOK 0.02 per share.

*The largest shareholders on 31 December 2021*

	Number of shares	Ownership
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BNP Paribas Securites Services	2,473,848	1.55%
The Bank of New York Mellon SA/NV	2,070,378	1.29%
Other shareholders (less than 1% holding)	18,221,858	11.38%
<b>Total</b>	<b>159,951,900</b>	
Own shares	121,800	
<b>Total number of shares</b>	<b>160,073,700</b>	

As of 31 December, the President and CEO of Cambi ASA indirectly controls 95,009,950 shares through the company Cortex AS. Board member Birgitte Judith Sandvold has 20% ownership in Cortex AS. Board member Arve Ree represents 30,177,850 shares owned by AWC AS. Among the other shareholders, the Cambi Group CEO owns 1,263,889 shares through EFC Havn AS. The Managing Director of Cambi Invest owns 165,000 shares.

## Note 6 - Equity

in NOK million

	Share capital	Own shares	Share premium	Other equity	Total
Equity as of 31 December 2020	2.8	-0.0	17.9	27.1	47.8
Net result				-3.7	-3.7
Share capital increase	0.4		302.0		302.4
Cost of emmission (net of tax)			-13.1		-13.1
<b>Equity as of 31 December 2021</b>	<b>3.2</b>	<b>-0.0</b>	<b>306.8</b>	<b>23.4</b>	<b>333.4</b>

21 million new shares were sold at NOK 14.4 per share.

## Note 7 - Group companies and associated companies

in NOK million

Name	Office	Ownership	Booked value	Equity	Results 2021
Cambi Group AS	Asker, Norway	100%	21.4	22.3	-15.1
Cambi Technology AS	Asker, Norway	100%	18.4	17.0	7.3
Grønn Vekst AS	Grimstad, Norway	100%	42.8	19.1	3.1
<b>Total</b>			<b>82.6</b>	<b>58.4</b>	<b>-4.7</b>

## Note 8 - Current financial investments

	Cost	Market value	Impairment
Investment in interest funds	201.4	200.9	0.5

The investment is valued at the lowest of cost price and market value. The investment funds are classified as fixed-income securities with short maturities and low-risk profiles.

## Note 9 - Intercompany balances with Cambi companies

in NOK million

	2021	2020
<b>Receivables</b>		
Group current account	94.8	-
<b>Total</b>	<b>94.8</b>	<b>-</b>
<b>Liabilities</b>		
Group current account	83.5	44.0
<b>Total</b>	<b>83.5</b>	<b>44.0</b>

## Note 10 - Bank deposits

in NOK million

	2021	2020
Group current account	11.5	0.6
<b>Total</b>	<b>11.5</b>	<b>0.6</b>

## Note 11 – Long-term liabilities

in NOK million

	2021	2020
Liabilities to financial institutions	0	4.0
<b>Total long-term liabilities</b>	<b>0</b>	<b>4.0</b>

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<b>Average interest rate</b>		
Liabilities to financial institutions	4.41%	4.89%

The company had a loan agreement with DNB signed in 2017. The remaining balance was paid in 2021.

## Note 12 - Security, obligations and guarantees

As security for ongoing customer construction contracts, the parent company provides bank guarantees towards the subsidiaries' clients. The parent company has a guarantee limit of NOK 220 million. At the end of 2021, NOK 126.5 million was drawn on the frame agreement.

The parent company has issued a surety bond towards Innovation Norway in connection with the loan of NOK 6 million granted to Cambi Technology.

The parent company operates as an indemnitor for a surety bond of USD 15 million from Zürich Insurance Public Limited and a surety bond of NOK 300 million from Tryg Garanti. The Zürich facility is for Cambi Inc in the USA. USD 14.3 million was drawn on this facility as of 31 December 2021. The Tryg Garanti is for Cambi companies outside the USA. Nothing was drawn on this facility at year-end.

The Norwegian legal units are jointly and severally liable for Cambi's account scheme in DNB and for VAT as a consequence of group registration.

## Note 13 – Events after balance sheet date

The escalation of events in Ukraine has created uncertainty about Cambi's project in Lviv. The project is currently on hold under the clause of force majeure. Total revenue recognised on the project as of year-end 2021 is NOK 40 million, with a remaining backlog of NOK 49 million. Cambi continues to monitor the situation and is in close dialogue with the company's consortium partner and the city of Lviv.

# Independent auditor's report

## Report on the Audit of the Financial Statements



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To the General Meeting of Cambi ASA

### Independent Auditor's Report

#### Opinion

We have audited the financial statements of Cambi ASA showing a loss of NOK 3 700 000 in the financial statements of the parent company and a profit of NOK 11 900 000 in the financial statements of the group. The financial statements comprise:

- The financial statements of the parent company Cambi ASA (the Company), which comprise the balance sheet as at 31 December 2021, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The consolidated financial statements of Cambi ASA and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2021, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the financial statements give a true and fair view of the financial position of the Group as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by laws and regulations and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

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RSM Norge AS is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Norge AS er medlem av/is a member of Den norske Revisorforening.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable legal requirements.

Our opinion on the Board of Director's report applies correspondingly to the statements on Corporate Social Responsibility.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

#### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to <https://revisorforeningen.no/revisionsberetninger>

Oslo, 21 April 2022  
RSM Norge AS

A handwritten signature in blue ink, appearing to read 'Arnfinn Øsvik'.

Arnfinn Øsvik  
State Authorised Public Accountant

# 2021

## CAMBI ASA | ANNUAL REPORT 2021

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This Report contains forward-looking statements that relate to the current plans, objectives, forecasts and estimates of Cambi ASA. These statements only take into account information that was available up to and including the date that this Report was prepared. Cambi ASA makes no guarantee that these forward-looking statements will prove to be right. The future development of Cambi ASA and its subsidiaries and the results that are actually achieved are subject to a variety of risks and uncertainties which could cause actual events or results to differ significantly from those reflected in the forward-looking statements. Many of these factors are beyond the control of Cambi ASA and its subsidiaries and therefore cannot be precisely predicted.