

Cambi ASA

Q1 2024

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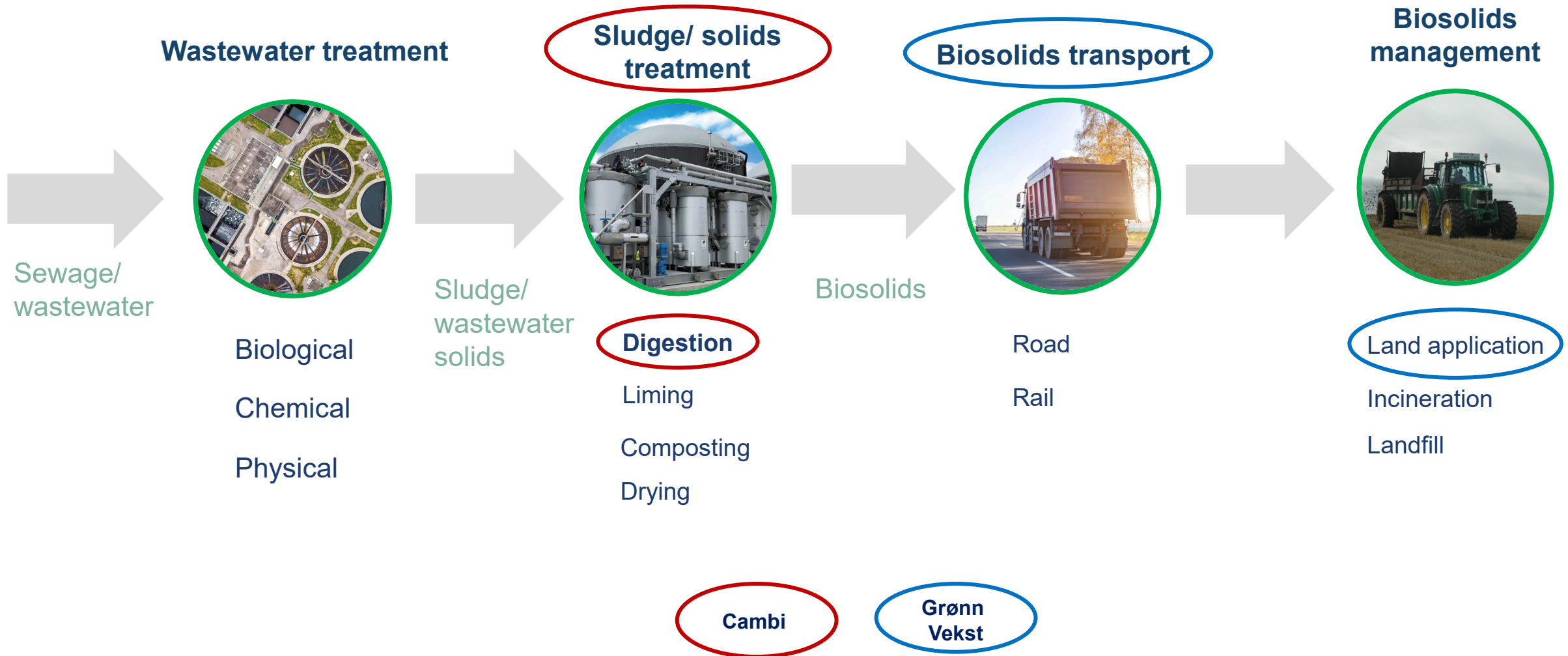
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Financial highlights

	Revenue	EBITDA	Order intake	Order backlog
Q1 2024	216	36	401	1,727
Q1 2023	210	57	223	1,079

Cambi delivers robust technology for a costly waste problem



Deliveries are customised to client needs and site requirements

- Cambi fits at almost any site and transforms sludge treatment
- Each project is different
- Greenfield vs. Brownfield construction site
- Solids line or entire plant
- Capacity expansion vs. upgrading with new technology or both
- Integration of all plant technologies is essential

Cambi Plug&Go – illustration of a THP system retrofit



Cambi's project role and scope varies

Example from two projects with different scope

Copenhagen, Denmark

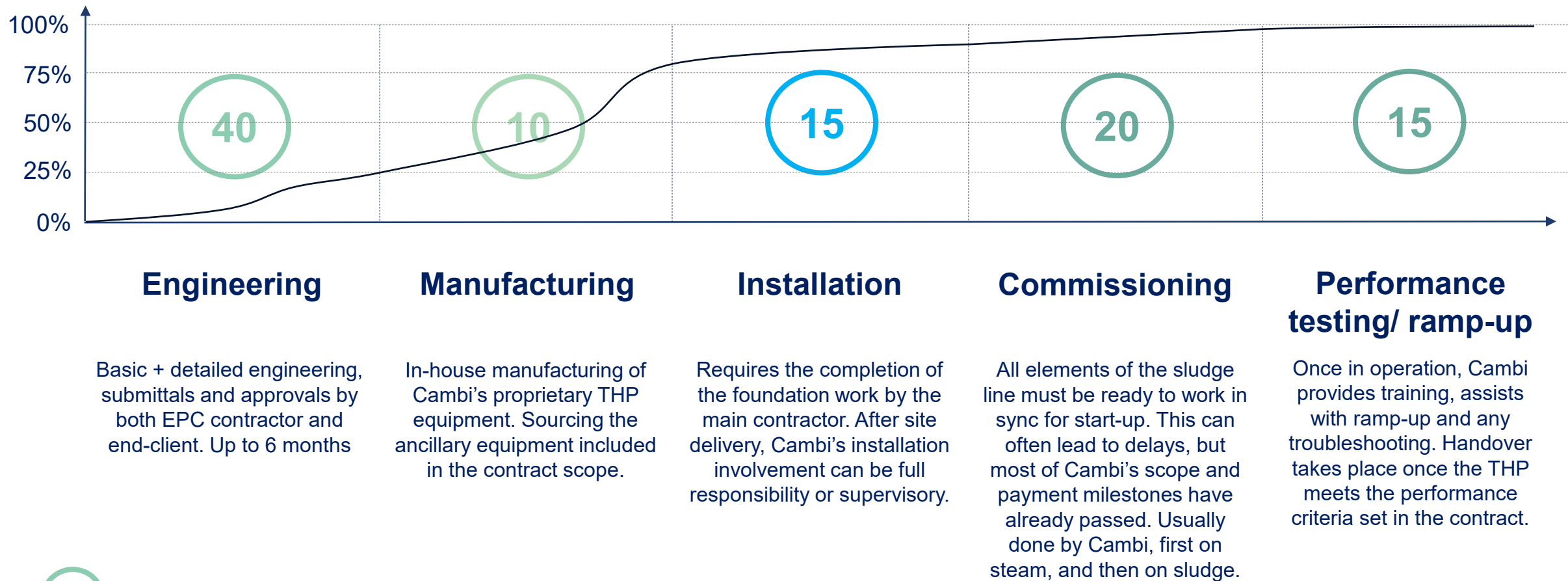
BIOFOS				
Cambi				
<i>Civil</i>	<i>Mechanical</i>	<i>Electrical</i>	Cambi Equipment	<i>Aux Equipment</i>
Know-how Consultant	Know-how	Know-how	Know-how	Know-how
Sub-contractor	Sub-contractor	Sub-contractor	Supervision	Supplier

San Francisco, USA

San Francisco Public Utilities Commission				
JV MWH Constructors and Webcor Builders				
<i>Civil</i>	<i>Mechanical</i>	<i>Electrical</i>	Cambi Equipment	<i>Aux Equipment</i>
Know-how Consultant	Know-how	Know-how	Know-how	Know-how
Sub-contractor	Sub-contractor	Sub-contractor	Supervision	Supervision

Project timelines vary with the scope and complexity

Illustration of the percent-of-completion for a Cambi THP construction contract by execution stage



Engineering

Basic + detailed engineering, submittals and approvals by both EPC contractor and end-client. Up to 6 months

Manufacturing

In-house manufacturing of Cambi's proprietary THP equipment. Sourcing the ancillary equipment included in the contract scope.

Installation

Requires the completion of the foundation work by the main contractor. After site delivery, Cambi's installation involvement can be full responsibility or supervisory.

Commissioning

All elements of the sludge line must be ready to work in sync for start-up. This can often lead to delays, but most of Cambi's scope and payment milestones have already passed. Usually done by Cambi, first on steam, and then on sludge.

Performance testing/ ramp-up

Once in operation, Cambi provides training, assists with ramp-up and any troubleshooting. Handover takes place once the THP meets the performance criteria set in the contract.



Share (%) of Cambi's current construction projects in different stages of execution

Cambi will improve solids treatment in Hawaii – major contract

- Cambi has been awarded a contract to supply a THP system to the Honouliuli wastewater treatment plant
- Cambi's 12th project in the US, with operations scheduled to start in 2027
- Modern, efficient, high-seismic THP system
- Saves space and cost by substituting new digesters and enables safe biosolids reuse



Grønn Vekst was awarded an important biosolids handling contract

- Grønn Vekst has been awarded one of Norway's largest contracts for handling biosolids for Veas
- Veas is Norway's largest wastewater treatment plant, serving more than 800,000 people
- The contract has a firm duration of 2 years, with two extension options of one year for a total duration of up to 4 years.
- The estimated contract value, including options, is up to NOK 80 million.
- Cambi's process and Grønn Vekst's experience with biosolids-based soil products will strengthen Veas' role in the local circular economy, contributing to a healthier Oslo fjord.



Recent events

Grønn Vekst secures contract renewal

- Grønn Vekst was awarded at the end of April a contract renewal in Bærum, Norway
- Grinding, transporting and composting all garden waste in the municipality for 3 years, with a one-year extension option



Approved dividend payout

- The AGM has approved a dividend of NOK 1.00 per share at the meeting on 2 May, to be paid out on or around 16 May 2024
- Largest dividend payout in Cambi's history, in total amount of NOK 160 million



Outlook

- Both THP construction and soil contract execution continue in line with budgets, client commitments, and site schedules
- Stable margins and high customer satisfaction due to good practices and flexibility afforded by experienced delivery teams
- Sustained and growing interest in Cambi's solutions expressed in encounters with water utilities in many markets
- Growing pipeline of potential THP projects backed by early decision-maker engagement supports long-term growth
- Cambi is paying out 87.5% of the net profits for 2023 as dividends and reiterates its ambition to pay out 60-80% of the net profits for 2024.



Financial performance

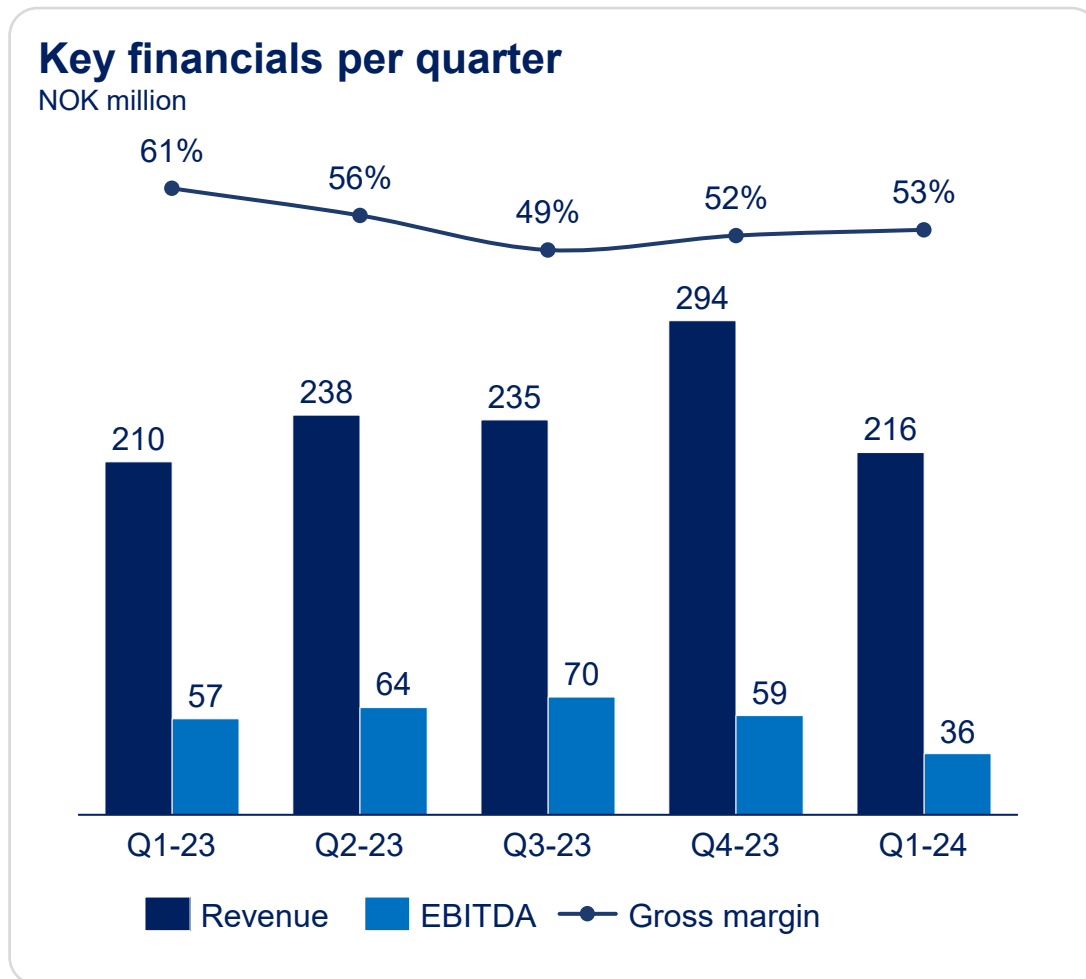
Mats Tristan Tjemsland, CFO

Financial highlights for the first quarter

- Stable execution of an all-time high number of ongoing construction projects
- Contract awards of NOK 401 million were announced during Q1
- Significant order backlog at NOK 1.7 billion at end of the quarter
- Solid financial position with available liquidity of NOK 334 million.
- Dividend of NOK 1.00 per share was approved by the AGM

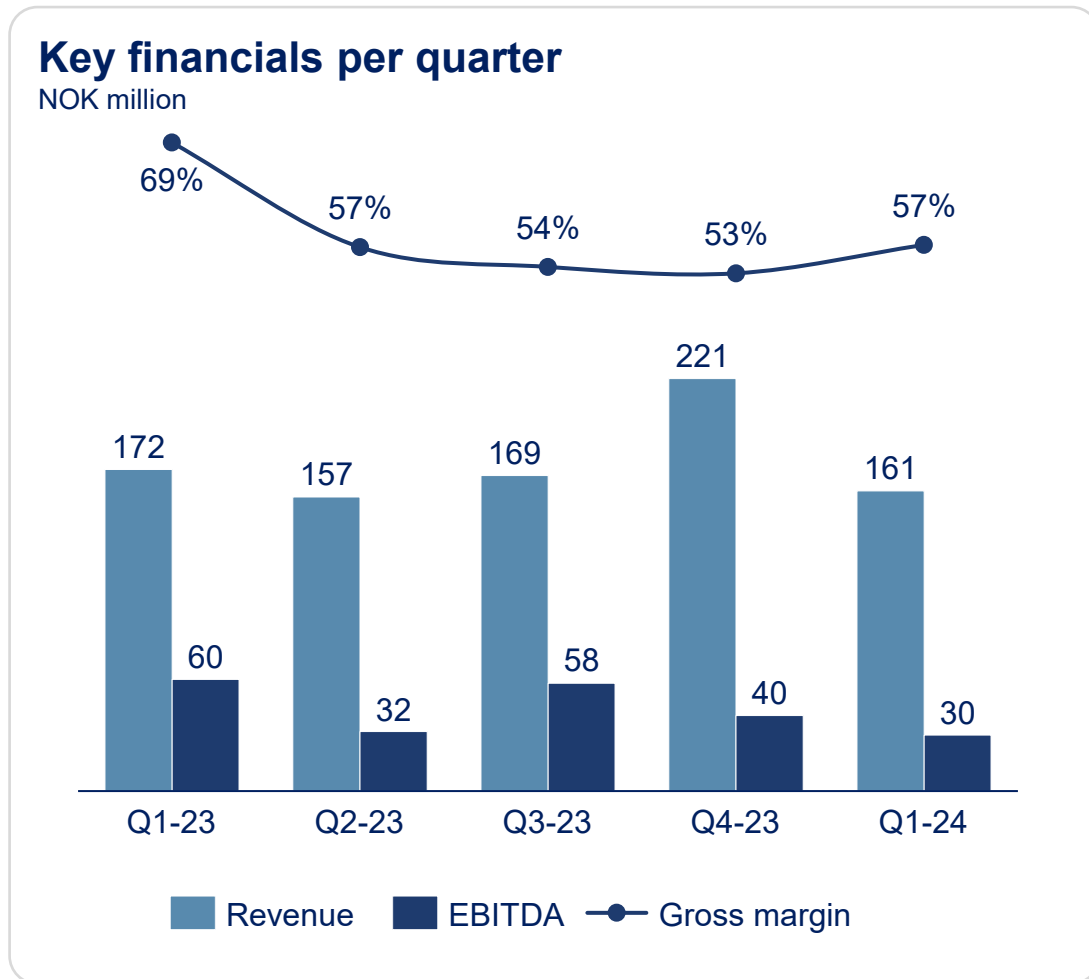


Quarterly revenue and EBITDA



- Fewer milestones reached on ongoing construction projects versus previous quarters
- Gross margins in line with previous quarter
- Increase in payroll costs due to a growing organization

Quarterly revenue and EBITDA

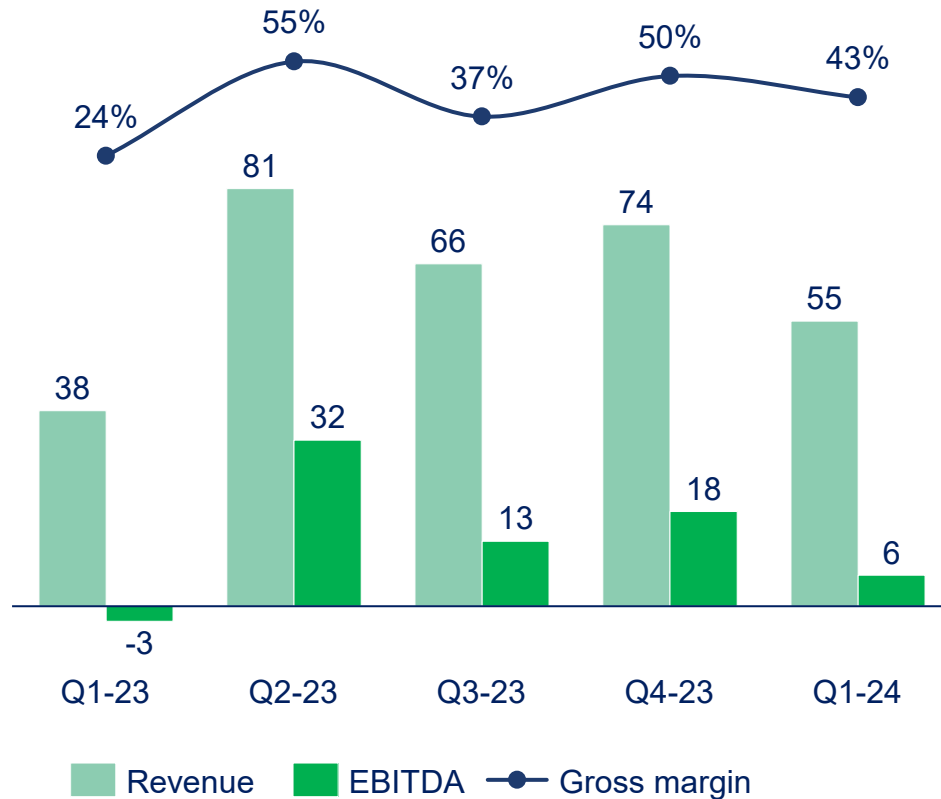


- Revenue for the quarter influenced by delays in deliveries (outside of Cambi’s scope) at some sites, also impacting Cambi’s deliveries.
- Cambi is set to deliver on all contracts in line with client schedules.
- Steady project execution on 16 ongoing THP construction contracts during the quarter, up from 13 projects in the same quarter last year.
- A higher share of EPC projects with extended delivery scope is influencing the reported gross margin level
- EBITDA margin of 19% for the quarter

Quarterly revenue and EBITDA

Key financials per quarter

NOK million

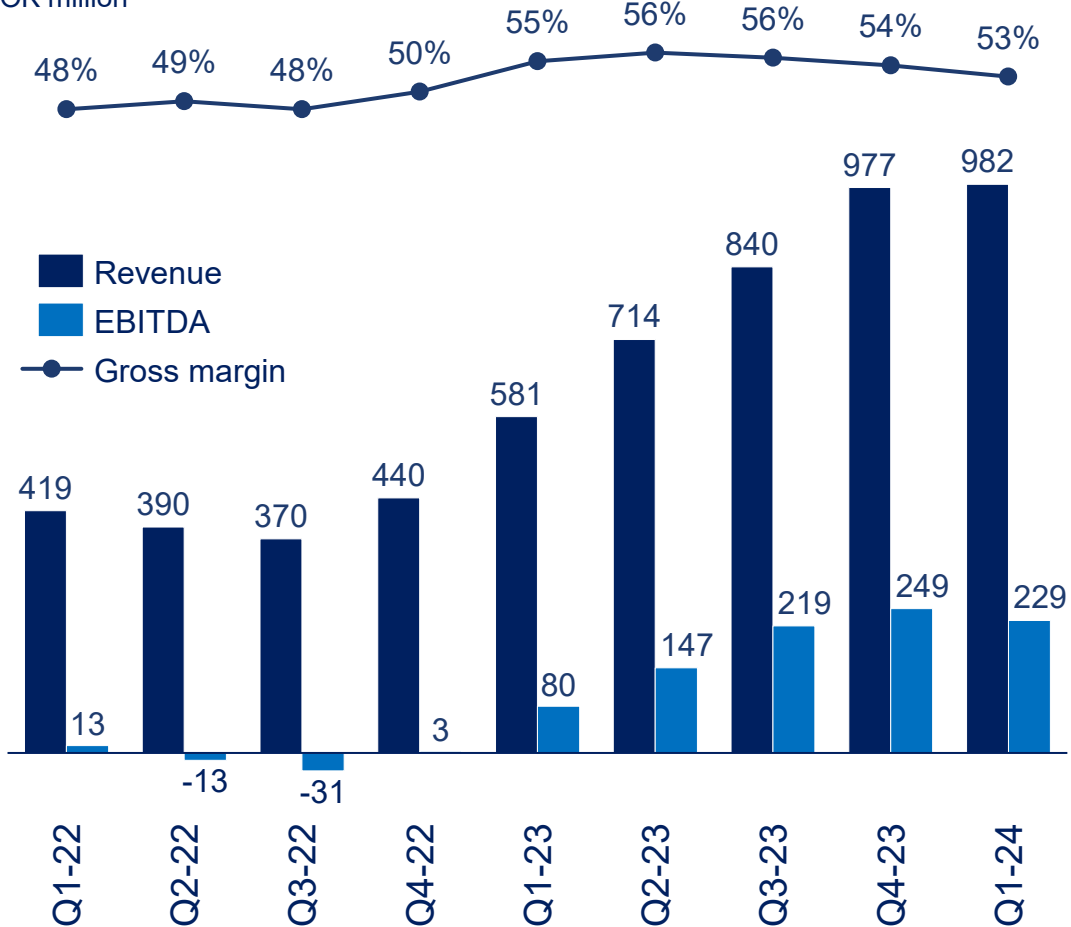


- Revenue uplift mainly due to increased activity level in Services
- The segment contributed 25% of Cambi's total quarterly revenue
- Seasonality in soil sales with lower activity during winter months
- Solutions segment had 1 (one) construction contract in execution at the end of Q1 (same level as at the end of Q1 2023)
- Gross margins influenced by the revenue mix
- EBITDA margin of 12%

Revenue and EBITDA on a rolling last twelve-month (LTM) basis

Revenue and EBITDA rolling LTM

NOK million



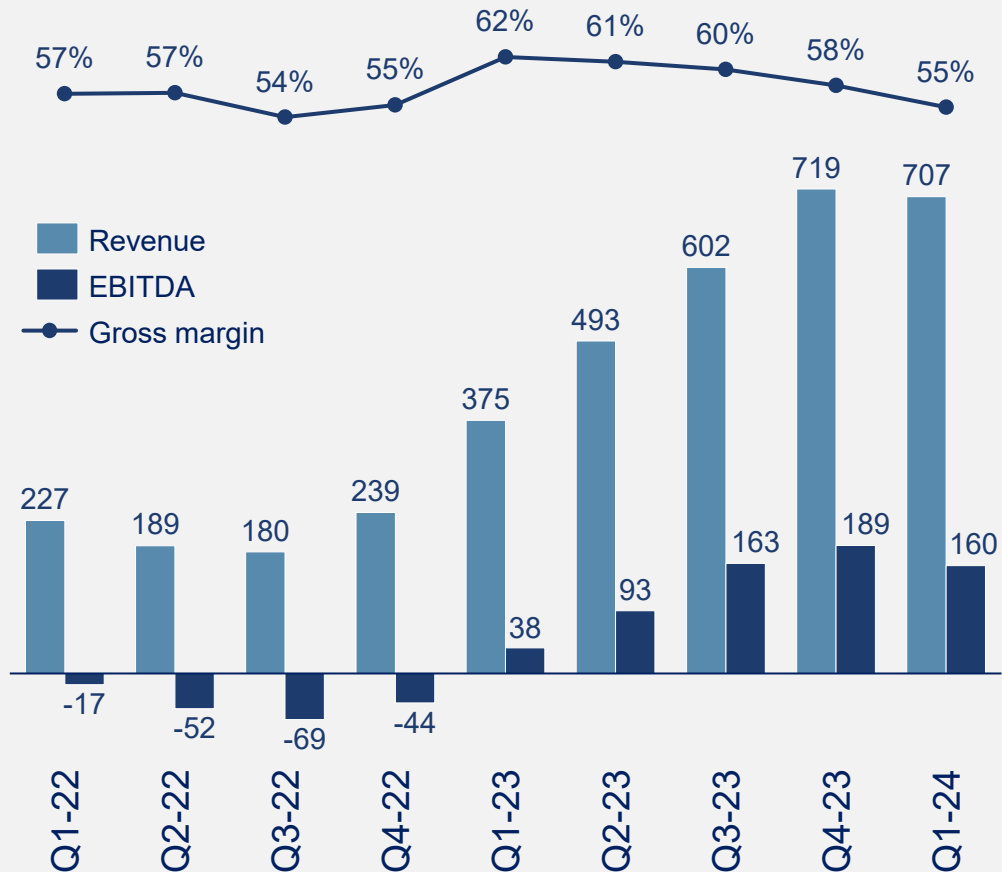
- Strong momentum build-up in revenues last quarters
- Revenue growth on LTM basis since Q3 2022
- Scalable business model protecting margins despite strong growth

Revenue and EBITDA on a rolling LTM basis per segment

Revenue and EBITDA rolling LTM

NOK million

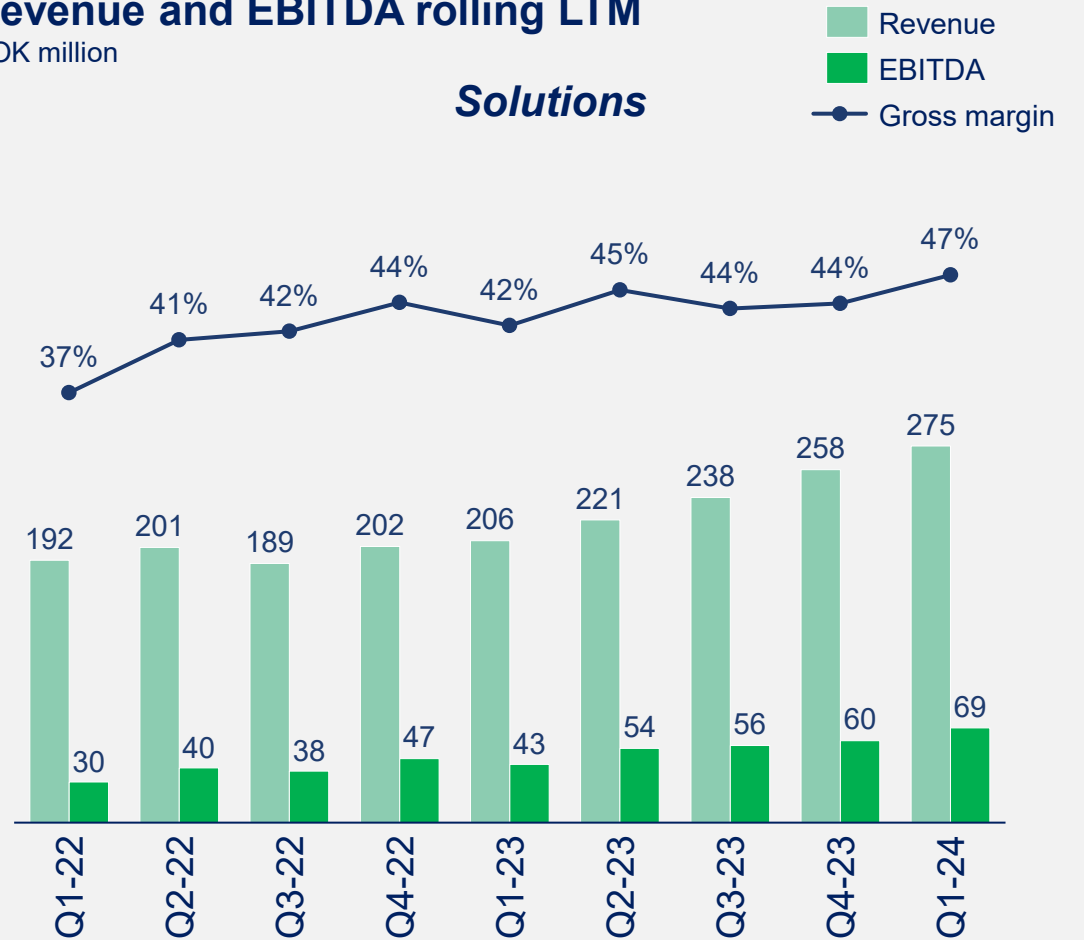
Technology



Revenue and EBITDA rolling LTM

NOK million

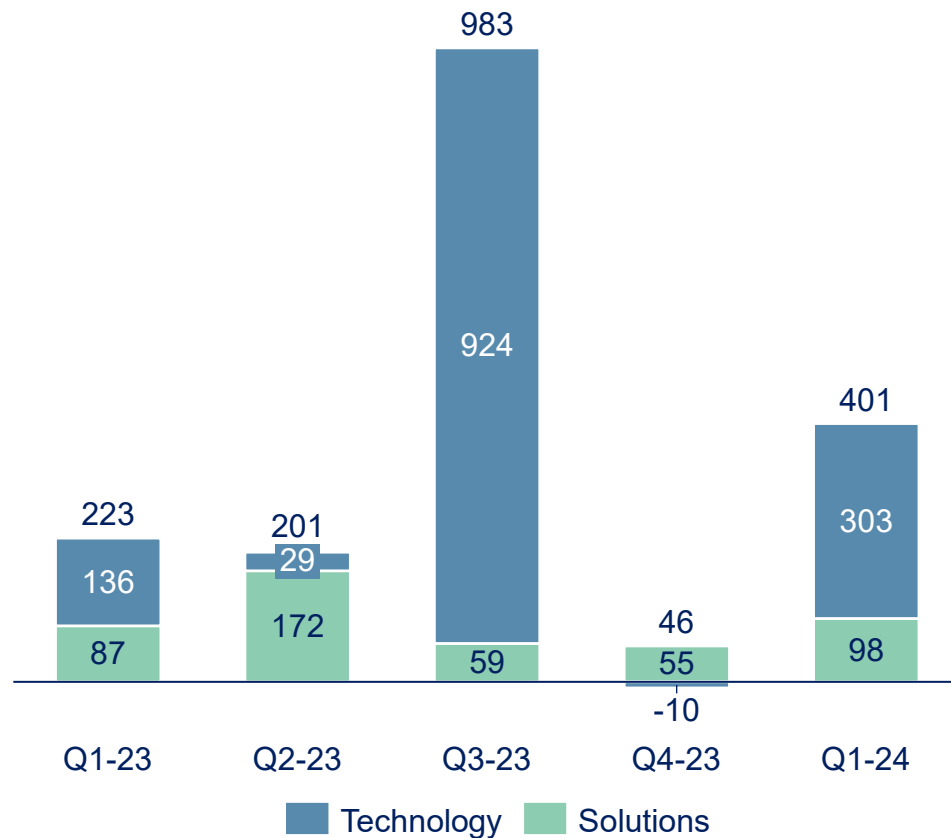
Solutions



Order intake in Q1 was NOK 401 million

Order intake per quarter

NOK million



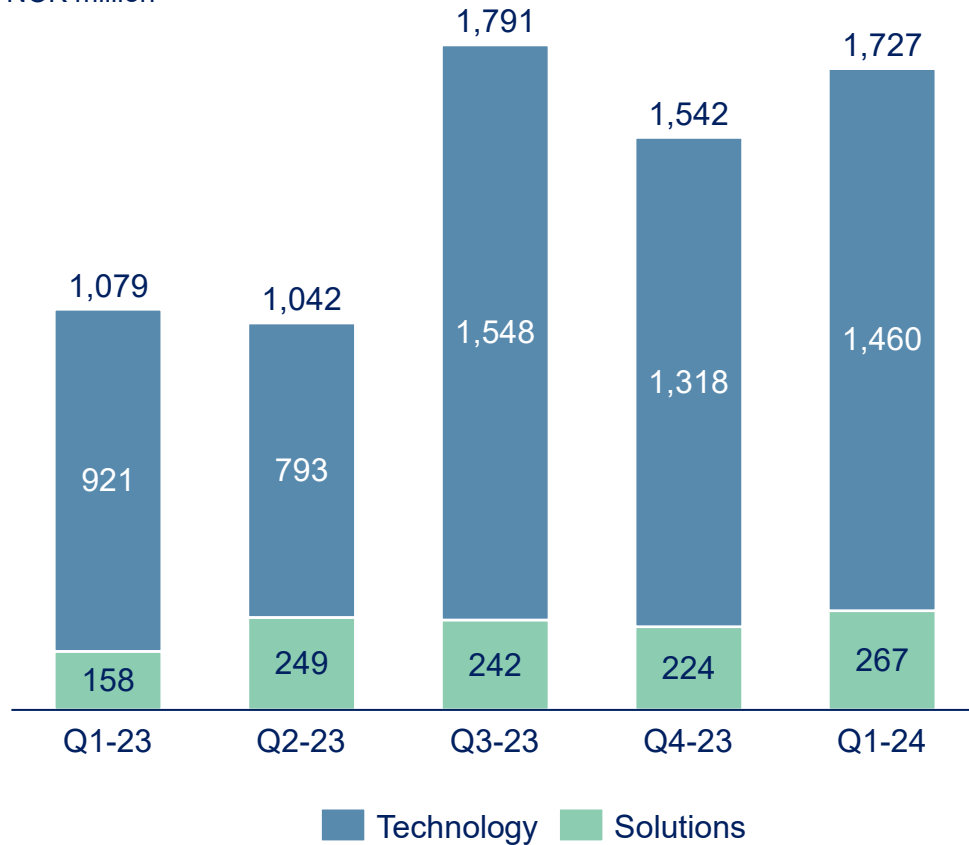
Several contract awards were announced during Q1:

-  Awarded a major contract to supply a THP system to the Honouliuli wastewater treatment plant in Hawaii, USA
-  Grønn Vekst was awarded one of Norway's largest contracts for handling biosolids for Veas in Asker, Norway
-  Awarded an engineering study for a THP system at the Grande Synthe wastewater treatment plant in Dunkirk, France

Order backlog was NOK 1.7 billion at the end of Q1

Order backlog per quarter

NOK million

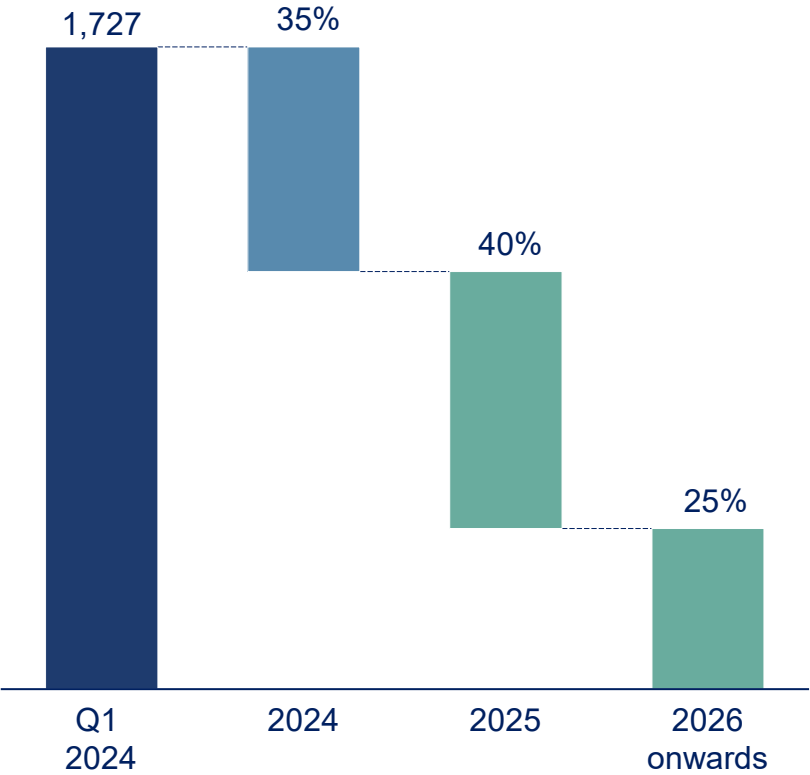


- Order backlog increased to NOK 1.73 billion at the end of Q1 2024
- The weakening of the NOK compared to the previous quarter has provided an additional uplift in order backlog
- There were 17 ongoing construction projects at the end of the quarter, up from 16 projects at the end of 2023.

Backlog breakdown by execution year provides a good financial foundation for the next years

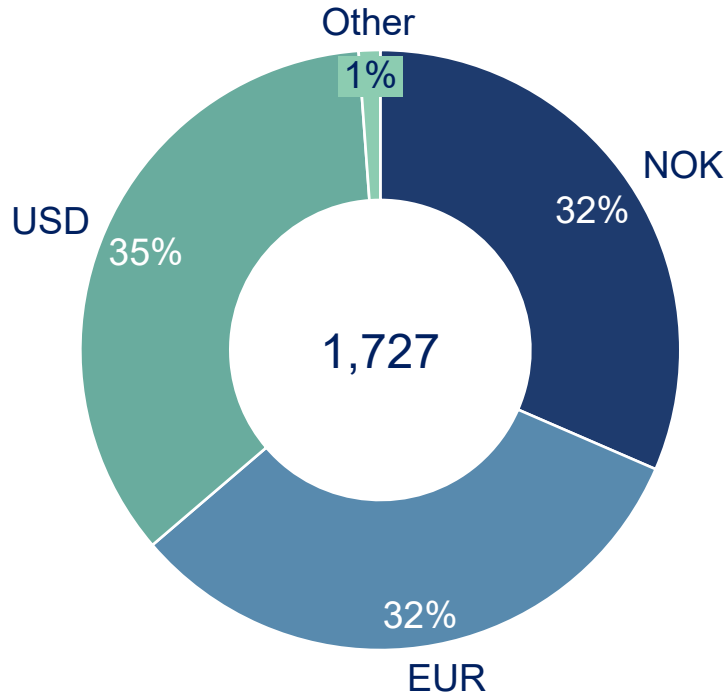
Order backlog by execution year

NOK million



Order backlog by currency

NOK million



Income statement

Consolidated income statement

NOK million	Q1-23	Q2-23	Q3-23	Q4-23	Q1-24
Revenue	210	238	235	294	216
Materials, goods and services	81	105	119	140	101
Gross margin	128	133	116	154	115
Payroll expenses	39	37	42	64	49
Other operating expenses	33	32	4	32	29
Operating expenses	72	69	45	96	78
EBITDA	57	64	70	59	36
Depreciation and amortisation	6	6	6	6	6
Operating profit	51	58	64	53	30
Net financial items	-2	-5	6	5	-9
Profit (loss) before tax	48	53	70	57	21
Income tax expense	0	0	0	44	0
Net profit (loss)	48	53	70	13	21

- Revenue was down for the quarter due to fewer milestones being reached on the ongoing THP construction contracts
- Payroll expenses increase due to an increasing Cambi organisation. Payroll now also includes bonus accruals for the full-year in addition to sales bonuses from previously signed contracts
- Net financial items mainly from agio effects
- Income tax expenses are calculated on a yearly basis

Balance sheet

Consolidated balance sheet

NOK million	Q1-23	Q2-23	Q3-23	Q4-23	Q1-24
<i>Assets</i>					
Intangible assets	77	72	67	30	25
Tangible assets	20	31	32	35	36
Financial assets	1	1	1	7	6
Total non-current assets	98	104	99	72	68
Inventories	60	75	75	71	91
Debtors	176	251	222	242	284
Financial assets	102	102	102	108	108
Bank deposits	199	168	282	240	226
Total current assets	537	597	681	662	708
Total assets	635	701	780	734	776
<i>Equity and liabilities</i>					
Equity	464	520	489	339	373
Non-current liabilities	1	1	0	13	13
Current liabilities	170	180	291	383	390
Total liabilities	171	181	292	395	403
Total equity and liabilities	635	701	780	734	776

- Balance sheet shows that Cambi has a solid financial position
- Bank deposits and financial assets at a total of NOK 334 million
- Earned, not invoiced revenue from construction contracts was recorded at NOK 169 million, up from NOK 90 million in Q1-23
- Accrued project-related costs were NOK 150 million, up from NOK 117 million in Q1-23
- A deferred tax of NOK 13 million is recorded as a non-current liability

Cash flow statement

Consolidated cash flow statement

NOK million	Q1-23	Q2-23	Q3-23	Q4-23	Q1-24
<i>Cash flow from operating activities</i>					
Profit/loss before tax	48	53	70	57	21
Tax paid for the period	0	0	0	-0	-3
Ordinary depreciation	6	6	6	6	6
Change in inventory	-17	-15	0	4	-20
Change in accounts receivable	-17	-69	18	-16	-2
Change in accounts payable	4	21	-9	10	-7
Effect of exchange rate fluctuations	6	3	-6	-2	13
Change in other accrual items	4	6	35	-3	-21
Net cash flow from operating activities	34	5	115	58	-12
<i>Cash flow from investment activities</i>					
Payments for the purchase of fixed assets	-1	-12	-1	-4	-3
Payments for share buy back	-1	0		0	0
Proceeds from employee loan repayment					1
Proceeds for the sales of money market fund shares	1	1		0	0
Net cash flow from investment activities	-1	-11	-1	-4	-2
<i>Cash flows from financing activities</i>					
Instalment payments of long-term liabilities	0	0	0	-0	-0
Dividends paid		-24		-96	0
Change investment equity method	0	0	0	0	0
Net cash flows from financing activities	0	-24	0	-96	-0
Net change in cash and cash equivalents	32	-30	114	-42	-14
Cash and cash equivalents at the start of the period	167	199	168	282	240
Cash and cash equivalents at the end of the period	199	168	282	240	226

- Operational cash flow of NOK -12 million in Q1, due to fewer milestones payments received from the portfolio of ongoing construction contracts
- Limited investments in Q1, mainly related to Grønn Vekst
- Cash and cash equivalents do not include financial assets of NOK 108 million

The Annual General Meeting has approved a dividend of NOK 1.00 per share

Cambi reiterates its ambition to pay out dividends of 60-80% of net profits for the financial year 2024



Dividend
NOK
1.00
per share

Q&A

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