

H122

SECOND-QUARTER AND FIRST-HALF RESULTS 2022
CAMBI ASA

CAMBI



Cambi solutions are transforming wastewater solids and organic wastes into valuable bioresources, enabling the circular economy in cities and industries around the world.

Two business segments

Cambi Group comprises the delivery of thermal hydrolysis process (THP) **Equipment** and ancillaries, together with related **Services**, including site and operations support, spare parts, plant upgrades, and consultancy.

Cambi Invest comprises opportunities connected to the THP technologies, including projects in which Cambi retains an ownership stake and operations (**DBO Projects**), and soil products **Recycling** (i.e., portfolio company Grønn Vekst).

Second quarter Highlights

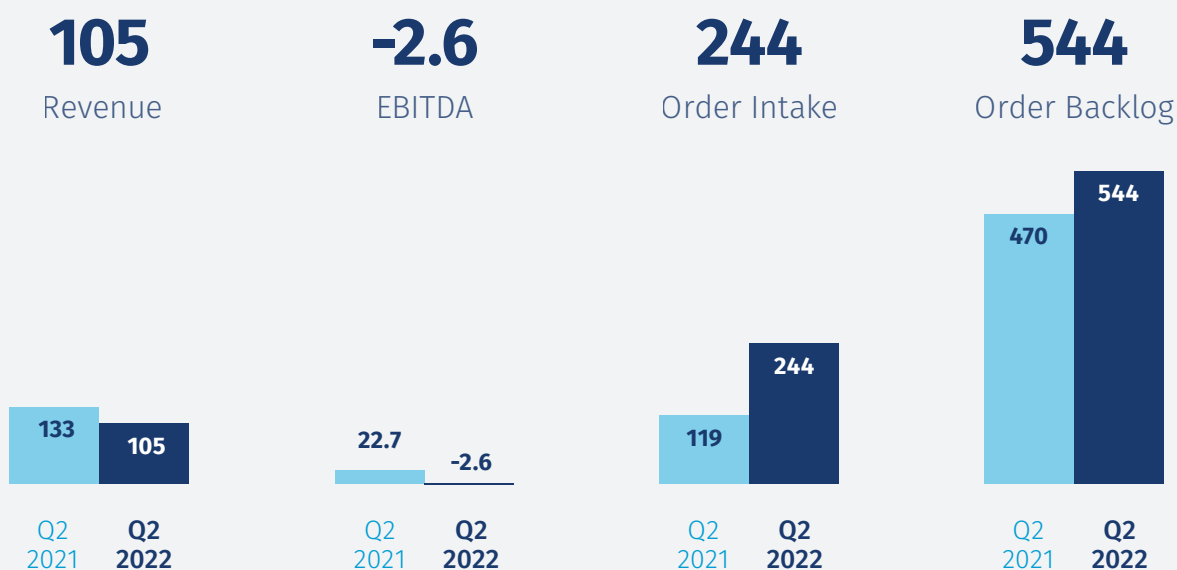
- Revenue** was NOK 105 million, 21% lower compared to the second quarter of 2021 (NOK 133 million), due to supply chain delays and the Lviv project in Ukraine remaining under force majeure.

Some of the projects affected by customers' site delays in previous quarters regained pace, resulting in a revenue increase of 52% compared to the first quarter.
- EBITDA** was NOK (2.6) million, compared to NOK 22.7 million in the same quarter last year. The lower EBITDA is due to lower revenue and higher selling, general, and administrative expenses.

Payroll expenses increased by NOK 5.5 million, of which NOK 3.0 million was due to changes in holiday pay recognition.
- Operating cash flow** was NOK 49.6 million compared to NOK (15.1) million in the second quarter of 2021, primarily due to project milestone payments. Investments in intangible assets were NOK 48.7 million.

- Order intake** increased to NOK 244 million from NOK 119 million in the same quarter last year. Equipment orders were NOK 203 million, 3.1 times higher (NOK 65 million).

Cambi is seeing more of its strong sales pipeline converting to orders, with projects secured in Greece, Morocco, and Norway during the quarter.
- The order backlog** increased by 16%, to NOK 544 million compared to NOK 470 million in the second quarter last year and was up by 34% compared to the first quarter of this year (NOK 406 million).
- In the second quarter, Cambi **expanded its patent portfolio** by acquiring reliable, complementary thermal hydrolysis products. The transaction facilitates Cambi's entry into new market segments.

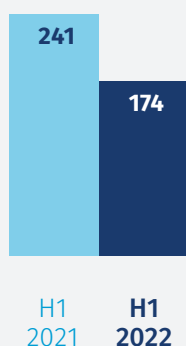


Key numbers in NOK million, Cambi ASA

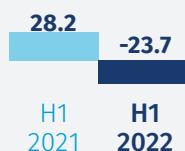
First half Highlights

- **Revenue** for the first half year was NOK 174 million (NOK 241 million), a decrease of 28% compared to the same period last year.
- **EBITDA** before non-recurring items ended at NOK (23.7) million, down from NOK 28.2 million in the same period last year. The lower EBITDA is due to higher raw material and fuel prices, site delays, and the war in Ukraine.
- **Order intake** for the first half year was NOK 258 million (NOK 273 million), with a book-to-bill ratio of 1.49.
- **Order backlog** ended the half-year at NOK 544 million, 18% higher than NOK 460 million recorded at the end of 2021.

174
Revenue



-23.7
EBITDA



258
Order Intake



544
Order Backlog



Key numbers in NOK million, Cambi ASA

Order intake

Athens, Greece 1

In April, Cambi signed a contract to deliver a second thermal hydrolysis system to the Psyttalia wastewater treatment plant.

The first Cambi system has been treating half of the site's biological sludge since 2015, reducing energy demand for drying and related costs.

The repeat client is a private operations consortium for the water utility company EYDAP. The delivery will allow treating all of the site's biological sludge and is scheduled for 2023.

Safi, Morocco 2

Safi will be Cambi's first project in Morocco. The OCP Group, the world leader in the phosphate fertiliser market, is building a modern wastewater treatment facility for the municipality to use the treated effluent as industrial process water.

Cambi's thermal hydrolysis solution will significantly increase biogas production and reduce the site's carbon emissions. The THP system is set for commissioning in 2023.

Lillestrøm, Norway 3

Nedre Romerike Avløpsselskap, which services a rapidly growing region north of Oslo, is building a new sludge treatment centre at the Krogstad Miljøpark. As part of the project, Cambi will supply an innovative thermal hydrolysis plant, including ancillary equipment and integration services.

Cambi's solution increases biogas output for green hydrogen production and gives a high-quality biosolids product, enabling a climate-friendly, circular economy. The new treatment centre will start operations in 2025.



Safi, Morocco



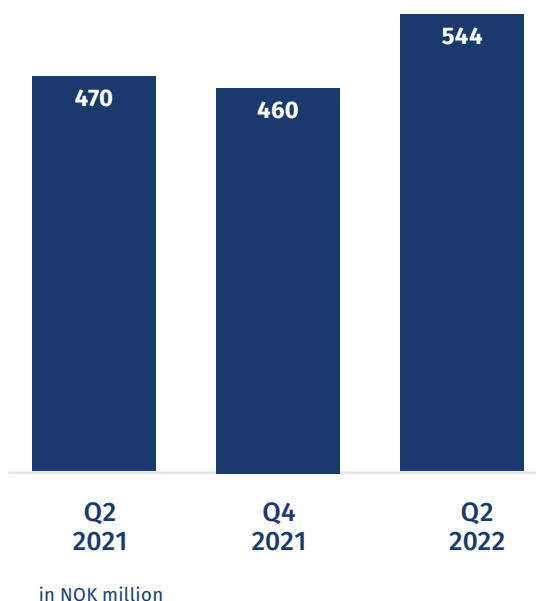
Order backlog

The total order backlog at the end of the second quarter was NOK 544 million.

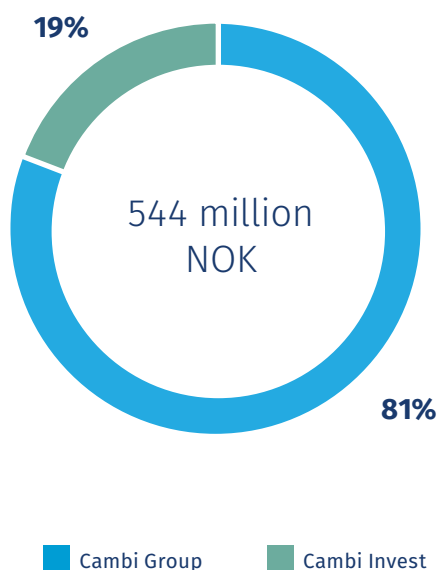
In addition, at the time of reporting, the value of all the projects announced to the market but not yet qualifying for recognition in the backlog is estimated at more than NOK 460 million. The value includes the construction contracts in best value procurement projects, contracts awarded after the end of the period, framework agreements, and letters of intent.

Cambi Group's backlog is noted in both Norwegian kroner and foreign currencies, while Cambi Invest's backlog is all in Norwegian kroner, representing Grønn Vekst's contract portfolio. Soil products are sold on a spot basis and not included in backlog.

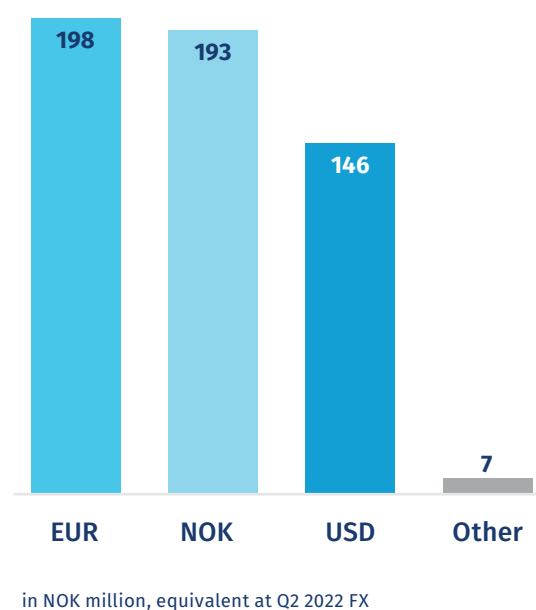
Backlog distribution



Backlog by segment



Backlog by currency



Cambi Group

Operational review

New THP successfully started operations | Acquired complementary technologies

Equipment

In Panama City, the thermal hydrolysis system at the Juan Diaz wastewater treatment plant started operations during the second quarter, following delays caused by the coronavirus pandemic.

The best-value procurement (BVP) process with Vestfjorden Avløpsselskap kicked off during the second quarter. Ongoing work includes basic design, defining the execution plan and target price. A construction contract will be signed after that.

Turnkey, large scope, and BVP contracts require a higher organisational resource commitment than equipment delivery sales. Cambi has experienced professionals and robust procedures, and has strengthened the organisation to meet rising activity levels within the engineering and project teams.

Cambi continues to deliver in line with client readiness in all ongoing projects, but persistent supply chain delays strain project timelines.

Following the acquisition of Veolia's thermal hydrolysis solutions in May, Cambi owns all patents, know-how and trademarks connected to the Exelys and Bio Thelys products. The transaction opens new market opportunities, underlining Cambi's longstanding commitment to supplying the market's best feedstock treatment solutions for anaerobic digestion projects.

Services

Spring is a high season for annual shutdowns at thermal hydrolysis plants. The UK Services team carried out planned maintenance at many sites.

Cambi UK signed a framework agreement with Welsh Water, to provide more support to their four thermal hydrolysis plants.

During the quarter, the Services team also started promoting a new type of energy-saving thermal hydrolysis process upgrade.



A Cambi THP system started operations in Panama City, Panama

112

million people serviced by Cambi's THP installations.

79

facilities have chosen Cambi's thermal hydrolysis solutions

0

reportable health and safety incidents

Cambi Group Financial review

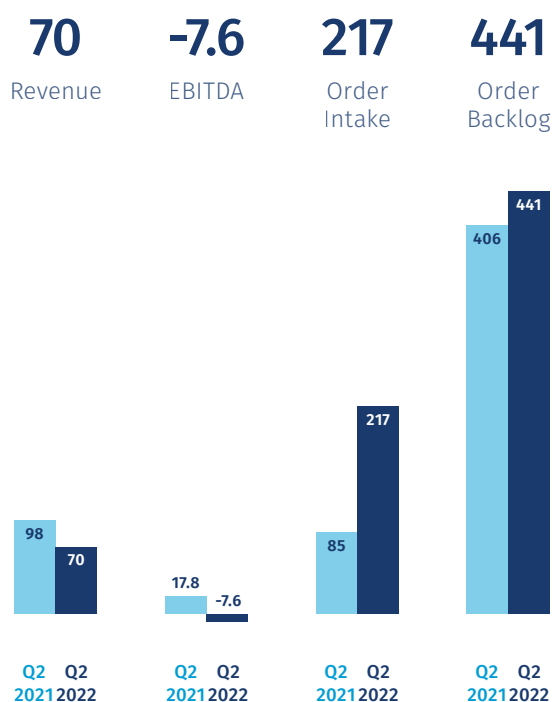
Results marked by force majeure and delays | Backlog up 30% in the first half year

Second quarter

Cambi Group's **revenue** in the second quarter was NOK 70 million (NOK 98 million). The 29% decrease from the same quarter of 2021 is due to the customers' delayed project schedules. The Equipment subsegment accounted for 78% of the revenue, with Services bringing in 22%.

EBITDA for the second quarter ended at NOK (7.6) million, compared to NOK 17.8 million in the same quarter last year. The decrease is due to lower revenue and higher selling, general, and administrative expenses.

Order intake was NOK 217 million (NOK 85 million). Three Equipment projects were signed during the first six months of this year.



Numbers in NOK million

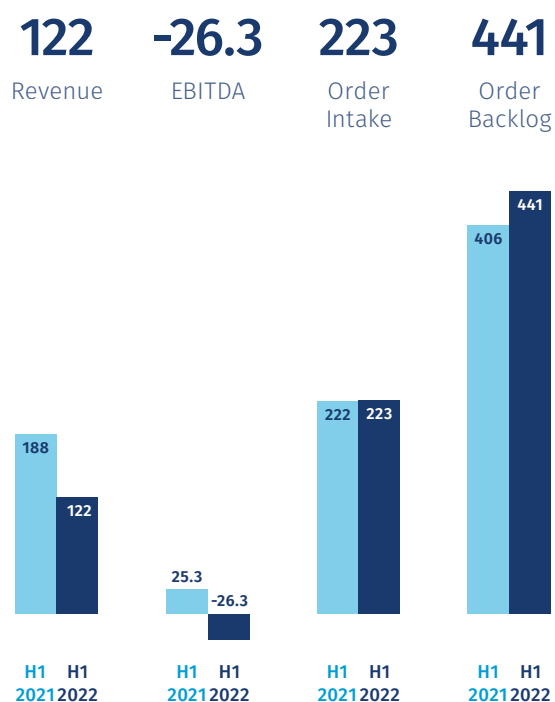
Half year

Segment **revenue** for the first half year was NOK 122 million (NOK 188 million), 35% lower than in the corresponding period of 2021. Equipment revenue was down 41%. Services had stable spare parts sales but fewer ongoing upgrade projects, logging revenue 11% below last year.

EBITDA for the half-year ended at NOK (26.3) million (NOK 23.5 million). The lower EBITDA is explained by high inflation and delays caused by war and persistent supply chain disruptions.

The half-year **order intake** was constant at NOK 223 million (NOK 222 million). The book-to-bill ratio was 1.83.

Order backlog ended at NOK 441 million, up by NOK 101 million or 30% from the end of 2021.



Numbers in NOK million

EBITDA: before non-recurring items

Cambi Invest

Operational review

Progress developing new soil blends | DBO projects advanced as expected

Recycling

Grønn Vekst sold 100,000 tonnes of soil in the second quarter, compared to 102,000 tonnes in the same period last year. Both soil production and deliveries have been executed without major disruptions.

The building of a factory for peat-free soil blends in Kristiansand is moving ahead as scheduled.

All existing biosolids handling contracts continue to be executed as planned. Extraordinarily high fuel costs remain challenging, but most large customers agreed to negotiated price adjustments during the quarter.

DBO Projects

Cambi Invest reiterated its focus on the US during the second quarter, completing a strategic market review and expanding its project development team.

The main objective of these efforts is to capture a positive market sentiment and add high-quality opportunities to the DBO sales pipeline.

The projects already under development in the US and UK have progressed as expected during the quarter. Several emerging-market projects developed slower than anticipated due to factors outside Cambi's control.

Meeting market needs with new organic soil products

Grønn Vekst is steadily expanding its soil product range, including higher margin products. In the second quarter, the recipes for three new peat-free soil products were finalised for commercialisation starting in 2023.

A comprehensive collaboration, research, and product development programme is planned to strengthen the portfolio of peat-free soil products and soil enhancers based on recycled organic materials.

The programme involves professional Norwegian plant producers. It includes open-air field tests for potted plants, with physical and nutrient parameter monitoring for up to three years.

119,000

tonnes of peat-free soils sold in the first half of 2022

25

soil production facilities in operation in Norway at the end of the second quarter 2022

0

reportable health and safety incidents



Cambi Invest Financial review

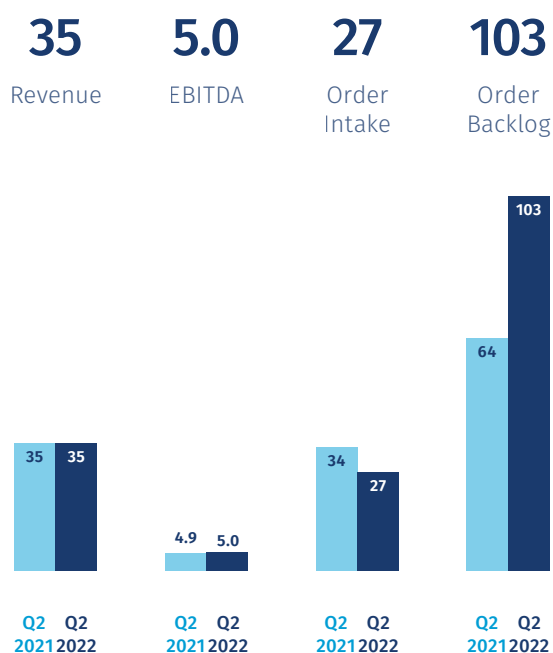
Stable revenue and EBITDA | Sustained investments in long-term growth

Second quarter

Cambi Invest's **revenue** in the second quarter was constant at NOK 35 million (NOK 35 million), reflecting Grønn Vekst's stable soil sales due to moderate construction activity in Norway.

EBITDA for the second quarter was NOK 5.0 million, compared to NOK 4.9 million in the same quarter of 2021. The slight EBITDA increase comes despite changes in Grønn Vekst's holiday pay recognition of NOK 1.2 million compared to last year.

The order intake of NOK 27 million (NOK 34 million) is attributed entirely to Grønn Vekst. There were no major tender awards in the Recycling segment during the second quarter.



Numbers in NOK million

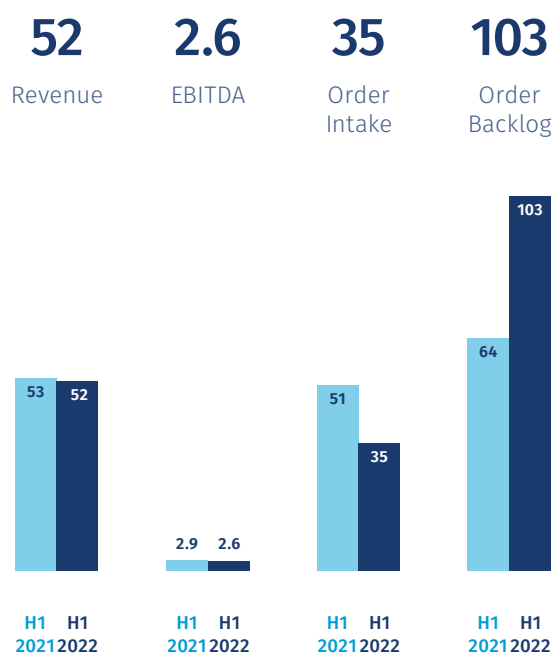
Half year

Segment revenue for the half-year was NOK 52 million (NOK 53 million). Soil demand remained subdued, with sales of 119,000 tonnes for the period (127,000 tonnes).

The half-year **EBITDA** was NOK 2.6 million (NOK 2.9 million). The slight decrease is mainly due to a change in holiday pay recognition in Grønn Vekst compared to the first half-year of 2021.

Order intake for the first half-year was NOK 35 million (NOK 51 million). There were no major tender awards in the Recycling subsegment during the first half year of 2022.

Order backlog for Cambi Invest ended the half-year at NOK 103 million (NOK 64 million), which is 14% lower than at the end of 2021. NOK 49 million of the backlog are firm orders, with the remainder accounted for by renewal options in Grønn Vekst's biosolids and garden waste management contracts.



Numbers in NOK million

EBITDA: before non-recurring items

Market

Recent developments

Two new large equipment turnkey contracts

The Damhusåen wastewater treatment plant in Copenhagen will introduce thermal hydrolysis to improve the site's overall energy balance and reduce the need for thermal drying. Cambi's turnkey delivery contract with BIOFOS, announced on 17 June, was signed after the close of the second quarter. The project will contribute to BIOFOS' carbon neutrality targets and strengthen Copenhagen's circular economy. Commissioning is scheduled for 2024.



Copenhagen, Denmark

In July, Cambi also won a large contract to deliver a turnkey sludge treatment plant with thermal hydrolysis at the Øra wastewater treatment plant in Fredrikstad, Norway. The procurement process includes a cooperation phase taking place this year. It has already been kicked off to define the preliminary design and optimise integration for cost and energy efficiency. A construction contract will be signed after the cooperation phase, with construction envisaged to start in 2023 and handover scheduled for 2027.



Fredrikstad, Norway

Best Value Procurement

Best value procurement (BVP) is a type of procurement in which quality and expertise are important award criteria, in addition to price.

BVP is suitable for complex projects which require reliable solutions to maximise value creation over the asset lifetime and meet ambitious goals that are not easily quantifiable, i.e., sustainability targets.

Cambi has recently been awarded two projects in Norway, testimony to an attractive value proposition and solid delivery record in water-sector anaerobic digestion projects.

After the award, both projects started with a collaboration phase, during which the buyer and one or several contract winners work together to refine the project scope, identify synergies, define the implementation timeline, and set a target price.

A construction contract is signed after the collaboration phase, and then becomes part of the order backlog. The execution phase is defined in the collaboration phase.

Market

Outlook

Cambi is on track to realising its market potential and delivering long-term growth

Cambi **continuously invests in innovation**, with a strategic commitment to strengthen its position at the forefront of treatment solutions for wastewater solids and organic wastes in anaerobic digestion projects.

With energy prices repeatedly breaking record highs, the company's new THP model for increased energy efficiency is eliciting increased interest from potential buyers. Cambi is making its product improvements also available to existing clients. Since the second quarter, a **new THP upgrade package** is available to further reduce energy use.

While most innovation is carried out in-house or in collaboration with universities and research institutes, in the second quarter Cambi **acquired two complementary thermal hydrolysis technologies**. The transaction expanded Cambi's patent portfolio and may **facilitate entry into new market segments**.

Biogas projects are increasingly attractive in many countries, as municipalities, industries, and farmers seek to replace natural gas, reduce energy costs, meet climate emissions targets, and develop local circular economies.

Cambi is already benefiting from this development, capitalising on its global technology position and project delivery capabilities. Increasingly, the company is also taking **larger delivery scopes in selected thermal hydrolysis contracts**, retaining more of the value creation. Sustained efforts are bringing Cambi closer to the first project in which it retains operations and an ownership stake, to maximise and share in the value creation.

In the first-quarter report, Cambi anticipated signing equipment contracts with a total value of NOK 1 billion in the period 2022-2023 and of NOK 1.7 billion in the period 2022-2024. There are **no changes to the outlook** in the half-year report.

Cambi remains focused on organic growth, and continues to consider opportunities to acquire businesses offering complementary solutions.

The Board of Directors and the CEO of Cambi ASA approved the report and unaudited interim financial statements.

Asker, 30 August 2022

Q2 2022

Interim financial statements with notes

Consolidated statement of profit and loss

Unaudited, in NOK million

	Q2 2022	Q2 2021	H1 2022	H1 2021
Operating income	104.6	132.8	173.7	241.0
Costs of goods sold	54.6	74.2	93.8	127.9
Payroll expenses	30.3	24.8	61.2	58.3
Depreciation & amortisation expenses	2.7	2.1	4.6	4.4
Other operating expenses	22.3	11.1	42.4	28.4
Operating expenses	109.9	112.2	202.0	219.0
Operating profit	-5.3	20.6	-28.3	22.0
Net financial items	-3.5	-3.0	-1.2	-6.7
Profit (loss) before tax	-8.8	17.6	-29.5	15.3
Tax expense	0.2	0.7	0.9	1.0
Net profit (loss)	-9.0	16.9	-30.4	14.3
Attributable to				
Equity holders of the parent company	-8.7	17.3	-29.8	15.5
Non-controlling interests	-0.3	-0.4	-0.6	-1.2
EBITDA	-2.6	22.7	-23.7	26.4
Non-recurring items				1.8
EBITDA before non-recurring items	-2.6	22.7	-23.7	28.2

Consolidated statement of financial position

Unaudited, in NOK million

<i>Assets</i>	Q2 2022	Q2 2021	Year 2021
Intangible assets	90.2	46.9	44.5
Tangible assets	19.6	20.4	19.8
Financial assets	2.1	2.0	2.1
Total non-current assets	111.9	69.3	66.4
Inventories	47.2	42.6	45.1
Debtors	136.0	157.8	140.0
Financial assets	100.5	200.2	200.9
Bank deposits	120.5	129.1	70.1
Total current assets	404.2	529.7	456.1
Total assets	516.1	599.0	522.5

Unaudited, in NOK million

<i>Equity</i>	Q2 2022	Q2 2021	Year 2021
Total equity	418.3	442.9	442.0

Unaudited, in NOK million

<i>Liabilities</i>	Q2 2022	Q2 2021	Year 2021
Non-current liabilities	1.8	11.9	2.4
Current liabilities	96.0	144.2	78.1
Total liabilities	97.8	156.1	80.5
Total equity and liabilities	516.1	599.0	522.5

Consolidated statement of cash flow

Unaudited, in NOK million

	Q2 2022	Q2 2021	H1 2022	H1 2021
Cash flow from operating activities				
Profit/loss before tax	-8.8	17.6	-29.5	15.3
Tax paid for the period	-0.3	-2.5	-1.9	-4.5
Ordinary depreciation	2.7	2.0	4.6	4.4
Change in inventory	1.7	-13.8	-2.1	-15.3
Change in accounts receivable	28.1	-14.0	-11.9	1.2
Change in accounts payable	8.8	5.2	2.6	-0.7
Effect of exchange rate fluctuations	9.0	1.1	6.8	1.0
Change in other accrual items	8.4	-10.7	32.3	-24.7
Net cash flow from operating activities	49.6	-15.1	0.9	-23.3
Cash flow from investment activities				
Payments for the purchase of fixed assets	-0.2	-1.1	-1.3	-2.4
Payments for the purchase of intangible assets	-48.7		-48.7	
Proceeds for the sales of money market fund shares	49.8		100.1	
Payments for the purchase of money market fund shares		-200.0		-200.0
Net cash flow from investment activities	0.9	-201.1	50.1	-202.4
Cash flow from financing activities				
Proceeds from the issuance of new short-term liabilities				31.0
Instalment payments of long-term liabilities	-0.3	-2.5	-0.6	-2.8
Instalment payments of short-term liabilities				
Net change in bank overdraft		-0.1		-5.1
Net proceeds from private placement				285.6
Change investment equity method	0.2	-0.1	-0.0	0.1
Net cash flow from financing activities	-0.1	-2.7	-0.6	308.8
Net change in cash and cash equivalents	50.4	-218.9	50.4	83.1
Cash and cash equivalents at the start of the period	70.1	348.0	70.1	46.0
Cash and cash equivalents at the end of the period	120.5	129.1	120.5	129.1

Consolidated statement of changes in equity

Unaudited, in NOK million

<i>Equity H1 2022</i>	Share capital	Own shares	Share premium	Other Equity	Minority interests	Total
Equity as of 1 January 2022	3.2	-0.0	306.8	129.0	3.0	442.0
Profit first half year 2022				-29.8	-0.6	-30.4
Currency effects				6.6	0.1	6.7
Equity at 30 June 2022	3.2	-0.0	306.8	105.8	2.5	418.3

Notes

Note 1 - Reporting entity

Cambi ASA is a limited liability company with headquarters in Asker, Norway. The consolidated interim financial statements comprise Cambi ASA and its subsidiaries.

Cambi is a global technology and solutions supplier for sustainable biosolids management, transforming wastewater solids and organic wastes into renewable energy, fertilisers, and soil products. Cambi's core offer is its patented thermal hydrolysis process (THP), a treatment process for wastewater solids and other organic waste fractions. The process has multiple cost-saving and environmental benefits. Coupled with anaerobic digestion, it increases biogas production, reduces the use of non-renewable energy sources, and produces easy-to-handle, nutrient-rich biosolids that can replace synthetic fertilisers.

Cambi systems are installed at many wastewater treatment facilities owned by the world's leading water utility companies. Established in 1992, the company has grown to span five continents, with 79 facilities in 25 countries and an installed capacity sufficient to process the waste of a population equivalent of around 112 million at the end of the second quarter of 2022.

Besides anaerobic digestion solutions using THP, Cambi owns the recycling company Grønn Vekst, the market leader in Norway for transforming sewage sludge and organic wastes into sustainable soil products.

Note 2 - Operating segments

Unaudited, in NOK million

	Cambi Group				Cambi Invest			
	Q2 2022	Q2 2021	H1 2022	H1 2021	Q2 2022	Q2 2021	H1 2022	H1 2021
Operating income	69.9	98.1	121.8	188.4	34.7	34.7	51.9	52.6
Costs of goods sold	32.9	51.3	60.7	93.1	21.7	22.9	33.1	34.8
Payroll expenses	25.9	21.3	51.9	50.3	4.4	3.5	9.3	8.0
Depreciation & amortisation expenses	2.0	1.7	3.3	3.4	0.7	0.4	1.3	1.0
Other operating expenses	18.7	7.7	35.5	21.5	3.6	3.4	6.9	6.9
Operating expenses	79.5	82.0	151.4	168.3	30.4	30.2	50.6	50.7
Operating profit	-9.6	16.1	-29.6	20.1	4.3	4.5	1.3	1.9
Net financial items	-2.9	-3.0	-0.6	-6.5	-0.6	-0.0	-0.6	-0.2
Profit (loss) before tax	-12.5	13.1	-30.2	13.6	3.7	4.5	0.7	1.7
EBITDA	-7.6	17.8	-26.3	23.5	5.0	4.9	2.6	2.9
Non-recurring items				1.8				
EBITDA before non-recurring items	-7.6	17.8	-26.3	25.3	5.0	4.9	2.6	2.9

The **Cambi Group** segment comprises the sale of thermal hydrolysis process (THP) plants and ancillary equipment, together with related services, including plant upgrades, spare parts, site support, and consultancy.

The **Cambi Invest** segment aims to create investment opportunities connected to the THP technology in companies (e.g., portfolio company Grønn Vekst) and DBO (Design, Build and Operate) projects.

Grønn Vekst recycles organic resources from municipalities and industry, i.e. sewage sludge, garden waste, and stonemeal. From these resources, the company produces high-quality compost-based soil products as substitutes for peat-based soils. Grønn Vekst is Norway's largest soil producer and leading sewage sludge recycling company.

DBO projects are investment opportunities where Cambi and partners own and operate sludge treatment lines that use Cambi's thermal hydrolysis process. All projects in this subsegment are currently in various development stages. Cambi is committed to growing this business area and closing the first DBO contract as soon as possible.

Note 3 - Construction Contracts

Unaudited, in NOK million

	Q2 2022	Q2 2021
Earned, not invoiced project revenue (in BS)	66.3	93.0
Accrued project cost, provision and guarantees	45.2	43.8
Accumulated recorded revenue for ongoing projects	401.8	283.5
Accumulated cost related to recorded revenue	169.2	132.6
Net accumulated contribution on ongoing projects	232.6	150.9

Revenues from construction contracts are recognised on the percentage-of-completion method, measured by the percentage of costs incurred to date divided by the estimated total costs for each contract.

Cambi had 14 ongoing construction projects at the end of the second quarter, one more than at the end of 2021. The accumulated contribution from ongoing projects was NOK 233 million, recognised through profit and loss from the commencement of the projects.

Note 4 – Financial investment

The company had, at the end of the second quarter, NOK 101 million in money market funds.

H122

CAMBI ASA | SECOND-QUARTER AND FIRST-HALF RESULTS 2022

Cambi ASA

Skysstasjon 11A,
Asker, Norway

Postal Address

PO Box 78
1371 Asker
Norway

This Report is strictly confidential and may not be reproduced or distributed, in whole or in part, to any other person. This Report is for information purposes only, and it is expressly noted that no representation or warranty, expressed or implied, as to the accuracy or completeness of any information included herein is given by Cambi ASA and that no information, including projections, estimates, targets and opinions, contained in this Report is or can be relied upon as a promise or representation by Cambi ASA.

This Report contains information obtained from third parties. Such information has been accurately reproduced and, as far as Cambi ASA is aware and able to ascertain from the information published by that third party, no facts have been omitted that would render the reproduced information to be inaccurate or misleading. While all steps have been taken to ensure the accuracy of this Report, Cambi ASA does not accept any responsibility for any errors or resulting loss or damage whatsoever caused and readers have the responsibility to thoroughly check these aspects for themselves. Enquiries about reproduction of content from this publication should be directed to Cambi ASA.

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.