

Cambi ASA

Q2 2024

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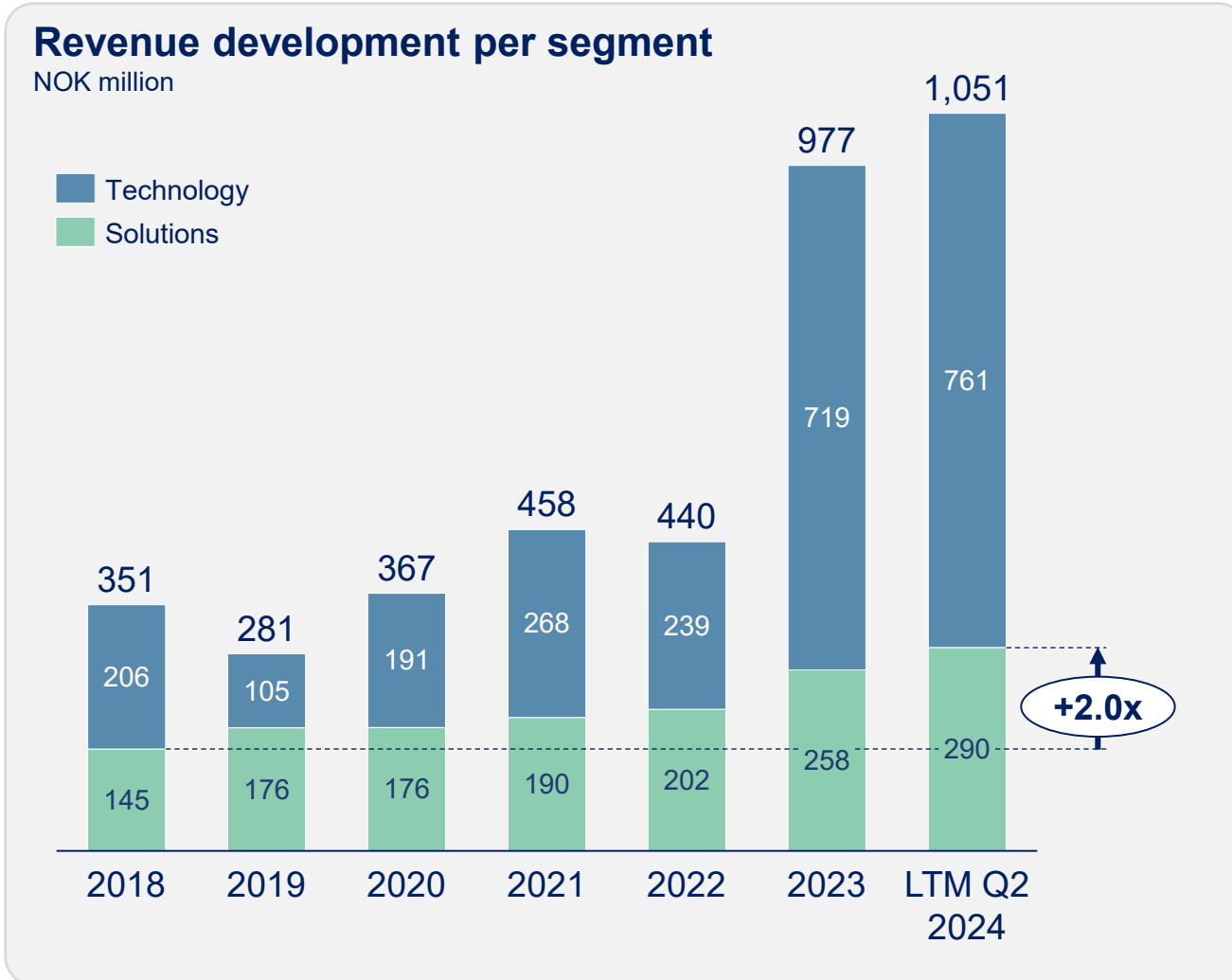
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Financial highlights

| | Revenue | EBITDA | Order intake | Order backlog |
|---------|---------|--------|--------------|---------------|
| Q2 2024 | 306 | 82 | 63 | 1,484 |
| Q2 2023 | 238 | 64 | 201 | 1,042 |

Significant revenue milestones reached in the second quarter



- Milestone in Q2 2024 with revenue on a rolling-twelve-month (LTM) basis passing NOK 1 billion.
- Growing the Solutions segment remains an important strategic priority for Cambi
- Solutions segment reached close to NOK 300 million for LTM Q2 2024, **2x** the level reported in 2018.
- Solutions segment forms a solid foundation of recurring revenue for Cambi

Solutions – Services

Q2 2024 – Operational review

O&M Support

- Good follow-up of all THP plants in operation enabled by increased team capacity – mapping opportunities
- Spring – peak season for site services
- Maintenance is a good start to deepen collaboration with spare parts sales, operations support, upgrades



Annual maintenance stop at Minworth, Birmingham, UK'

Upgrades

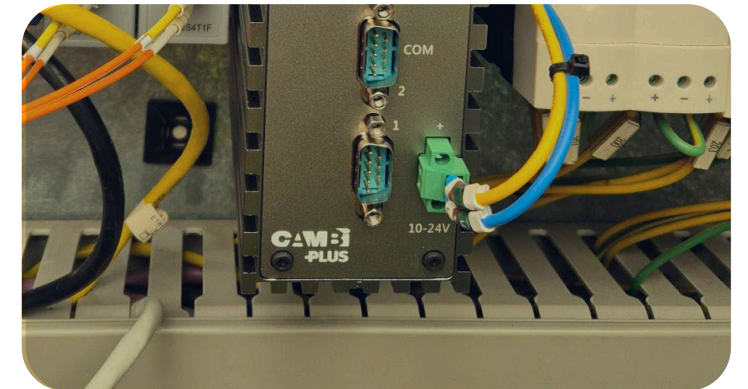
- On-schedule project execution for the two ongoing construction projects in Norwich, UK and Dublin, Ireland
- Several minor upgrades carried out regularly, e.g., installing better pumps
- Two ongoing engineering studies assessing options for upgrades at sites in Northern Europe



Pump upgrade at Davyhulme, Manchester, UK

PLUS

- Explore high-resolution live and historical data with secure remote access to scalable analysis platform
- Real-time monitoring of equipment health for pre-emptive maintenance
- Enables higher process efficiency
- Access to remote assistance when troubleshooting operational problems



Cambi PLUS unit installed at a site in the UK

Solutions – Recycling

Q2 2024 – Operational review

Bulk soil sales

- Solid demand at 120,000 tonnes
 - 35% increase from Q2 2023
 - Including 5,000 tonnes of new turf to Ullevål in Oslo, the national football stadium
- Participated in two public consultations
 - On the revision of the fertiliser and fertiliser use regulations in Norway



New turf for the national football stadium, Ullevål, in Oslo

Retail soil sales

- Demand for peat-free soils is growing in Norway, and the bagging facility is delivering as planned
- Good collaboration with longstanding buyers and signing new clients
- Preparing the production cycle for 2025, to start at the end of summer



Soil bagging facility at Støleheia, Kristiansand

Handling contracts

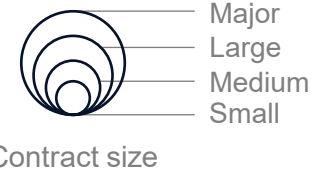
- Small new contract for garden waste handling in Bærum signed in April for a firm 3-year period starting October
- Executing the national portfolio of biosolids and garden waste handling contracts as planned



















Largest Norwegian municipalities serviced by Grønn Vekst

Technology

Distribution at the end of Q2 2024 of the 16 ongoing construction projects by execution phase



| Phase | Engineering | Manufacturing | Site activities |
|----------------------|--|---|--|
| North America |  Honolulu |  San Fransisco  Louisville | |
| Europe |  Oslo |  Fredrikstad  Lviv* |  Lillestrøm  Copenhagen  Antwerp  Sofia |
| Asia | |  Singapore | |
| Oceania |  Wellington  Perth | | |
| Middle East & Africa | |  Be'er Sheva |  Secunda  Safi |

- There were 16 ongoing construction projects in the Technology segment.
- The “site activities” phase includes THP installation, commissioning, and ramp-up. Projects at the tail-end of the delivery timeline that have passed all major payment milestones, with most risk transferred to the client, are no longer counted as part of the “ongoing construction contracts”. However, they are yet to be handed over to Services. Example: Piscataway project in the USA, which entered operations in June 2024.

Note:
Cambi classifies contract values into four size categories: small (NOK 15-50 million), medium (NOK 50-100 million), large (NOK 100-200 million) and major (> NOK 200 million)

Technology

Q2 2024 – Operational review

- Solid projection execution, delivering on client site schedules and passing several important execution milestones
- Commissioning completed for one project
 - The THP at Piscataway WRRF (Prince George's County, Maryland, US), the first in the world designed to operate during annual maintenance

“[The project will] save our customers more than \$3.4 million annually by reducing operating costs [... and] reduce WSSC Water's greenhouse emissions by 13%.”

Kishia L. Powell, WSSC Water General Manager and CEO
June 2023

- Steady on-time progress also for the start-up of the THP at Damhusåen Renseanlæg (Copenhagen, Denmark)
- Projects in the USA, Belgium, Morocco, and Bulgaria were also lined up for commissioning, pending client site readiness



THP in operation for WSSC
at Piscataway WRRF in Accokeek,
Prince George County, MD, USA

Technology

Q2 2024 – Operational review

- Installation proceeded well at two sites
 - The THP systems at Krogstad (Lillestrøm, Norway) and Sasol (Secunda, South Africa) were installed during the second quarter
- Manufacturing started for the projects that completed engineering
 - The project in Be'er Sheva, Israel, is delayed due to a shift in the client's overall project schedule, bringing forward work on the other projects
- Engineering for 3 (three) projects completed in the quarter
 - Tuas WRP (Singapore), Morris Forman WQTC (Louisville, Kentucky, USA), and Southeast WWTP (San Francisco, California, USA)
 - Good progress on Veas (Oslo, Norway), Woodman Point (Perth, Australia) and Moa Point (Wellington, New Zealand)
 - Pre-contract engineering study for the potential project in Dunkirk, France, was also completed in the second quarter as planned

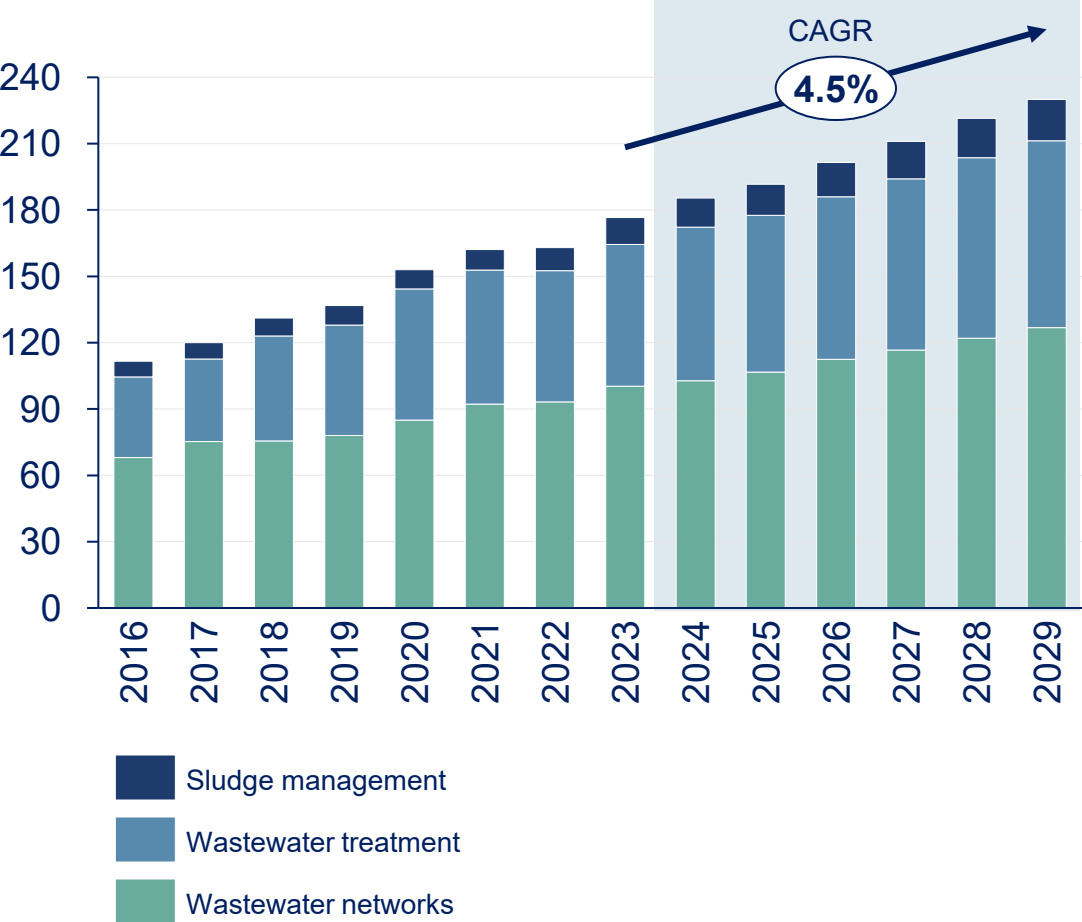


THP being lifted through the roof at Krogstad, in Lillestrøm, Norway

Population growth and urbanisation will be key drivers for wastewater utility capital expenditures towards 2030

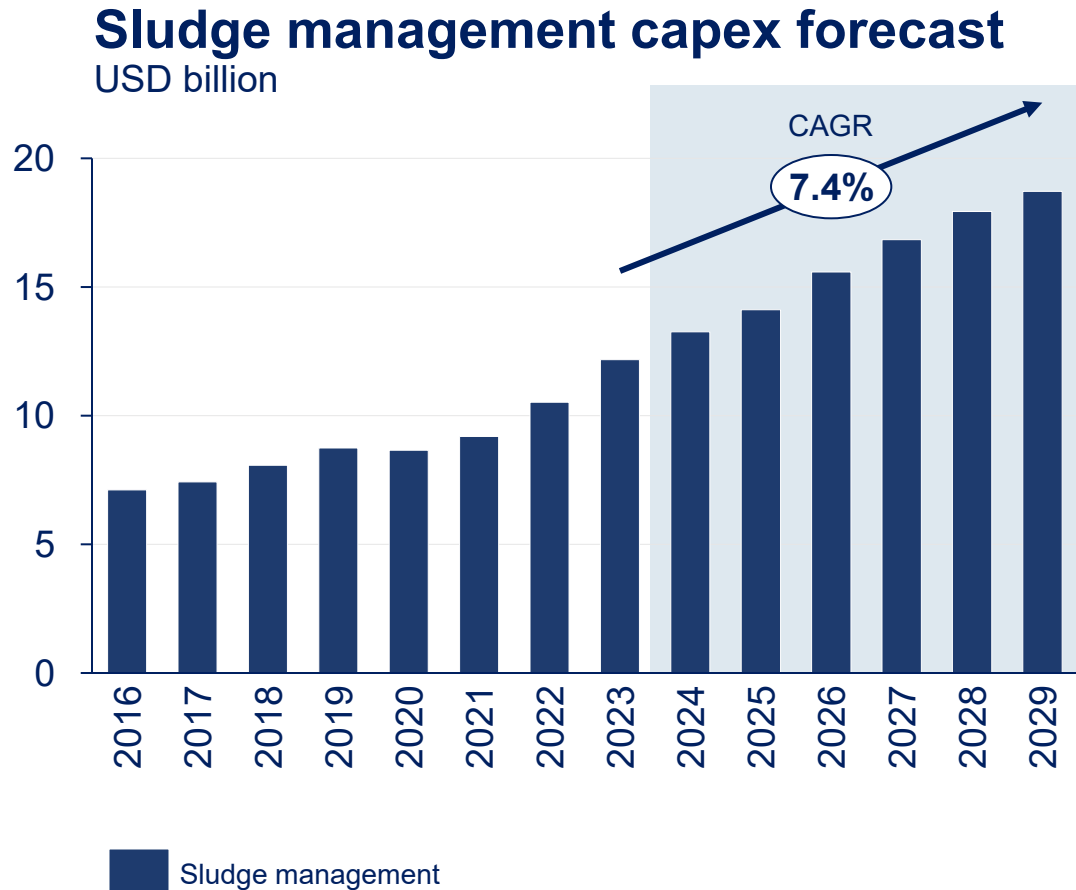
Global utility wastewater capex forecast

USD billion



- As the population grows and levels of urbanisation and industrialisation rise, wastewater and subsequent sludge volumes will increase
- Wastewater utilities capital expenditures will surpass USD 180 billion in 2024, and is expected to increase +30% in 2029 compared to 2023 levels
- Most spend is within wastewater networks and wastewater treatment, however the spend on sludge management is an increasing share of total spend

Sludge management market is expected to grow towards 2030, driven by increasing disposal costs and higher volumes to manage



- Globally, vast volumes of sludge are produced every year, with an estimated production in 2022 of 75-100 million tonnes (dry solids)
- By 2030, global municipal sewage sludge production is predicted to reach 127.5 million tonnes (dry solids); industrial sludge production will add to this figure
- For wastewater utilities, the annual capital expenditures related to sludge management will surpass USD 13 billion in 2024
- Annual capex is expected to grow over 50% between 2023 and 2029
- Cambi is strongly positioned in a growing market supported by several macro trends

Water utilities are committing to net-zero carbon targets

Many of them are Cambi's clients or in the company's THP sales pipeline



"Transforming Santiago de Chile's three wastewater treatment plants into *biofactories* – zero waste, energy self-sufficient, and carbon neutral. The world's first sanitation company to establish (in 2019) emissions reduction goals approved by the Science-Based Targets Initiative"



Cambi THP at the Mapocho site in Santiago de Chile



The first utility in China with a net zero goal. The Gaoantun site is set to become fully self-sufficient in electricity and carbon neutrality by 2025 using diversified renewable energy. All five of Beijing's solids treatment centres use large-scale THP systems from Cambi.



Cambi THP at the Xiaohongmen site Beijing, China



"Located on the planet's driest inhabited continent also means serious climate change impacts. [...] Which is why, we're accelerating to net zero greenhouse gas emissions by 2035. [...] We aim to recover 100% of wastewater sludge [...] for treatment and use as biosolids."



Woodman Point site in Perth, Australia, with THP from 2026



"At Scottish Water, we are committed to transforming the way we operate and invest, and our routemap sets out a journey to net zero emissions by 2040. Our aim is to reduce the amount of energy we consume to deliver our vital water and wastewater services."



Cambi THP at the Nigg site in Aberdeen, Scotland, UK

Douglas Millican, Chief Executive, Scottish Water

Financial performance

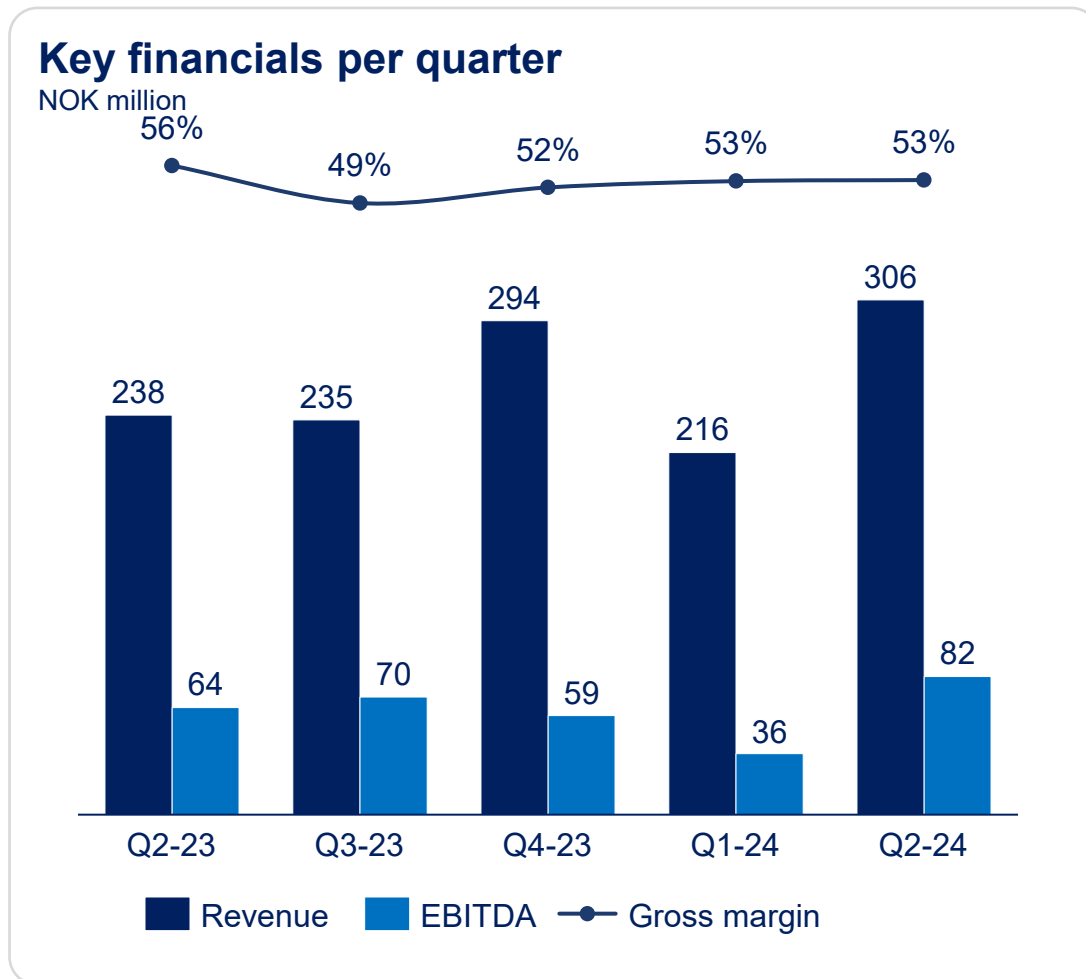
Mats Tristan Tjemsland, CFO

Financial highlights for the second quarter

- Solid quarterly revenue and EBITDA performance
- Revenue surpassed the NOK 1 billion mark on a rolling last twelve months basis
- Cash flow from operations of NOK 91 million in the quarter
- Dividends of NOK 160 million were distributed to shareholders during Q2, equivalent to NOK 1.00 per share
- Ambition to pay out dividends of 60-80% of net profits for the financial year 2024
- Robust financial position with a solid balance sheet and an order backlog of NOK 1.5 billion at end of the quarter

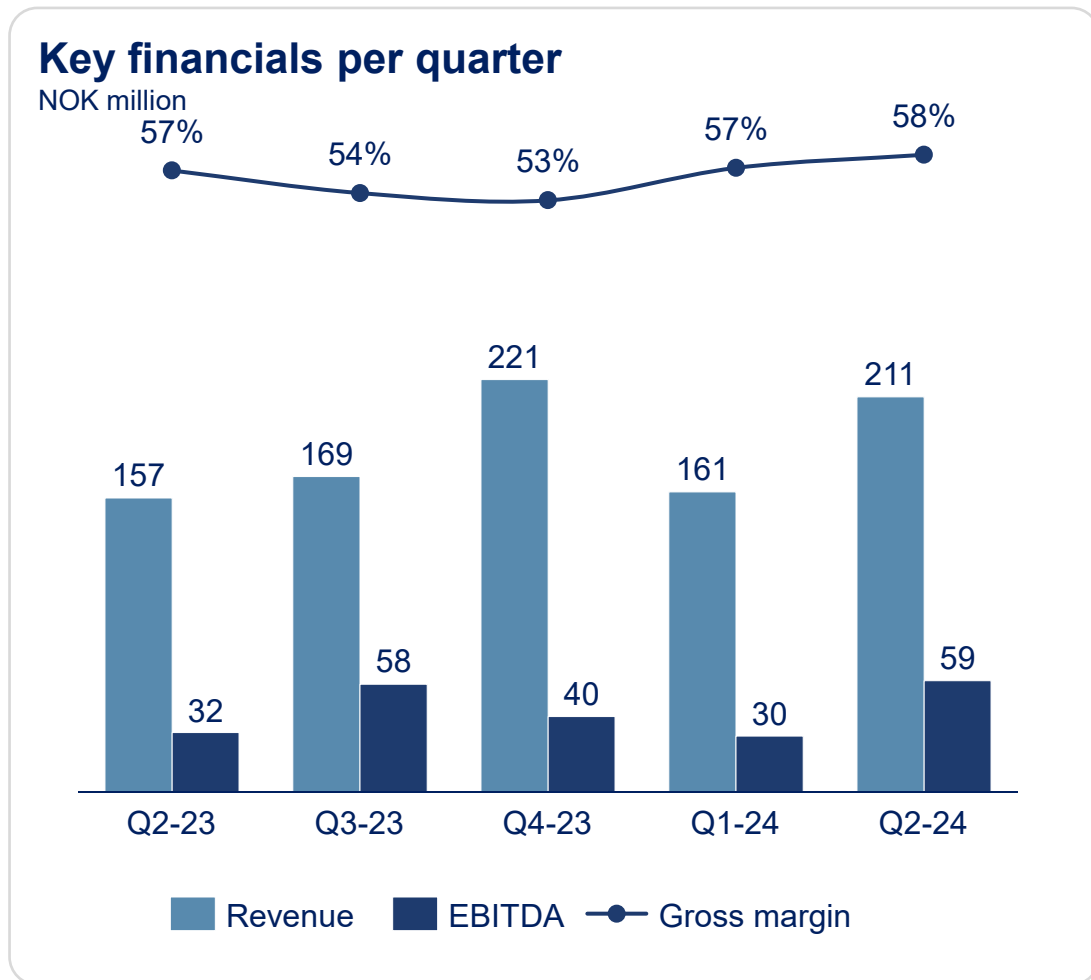


Quarterly revenue and EBITDA



- Solid progress on many ongoing construction projects in the second quarter
- Revenue of NOK 306 million, up from NOK 238 million in Q2 2023
- Gross margins remain stable and in line with previous quarters

Quarterly revenue and EBITDA

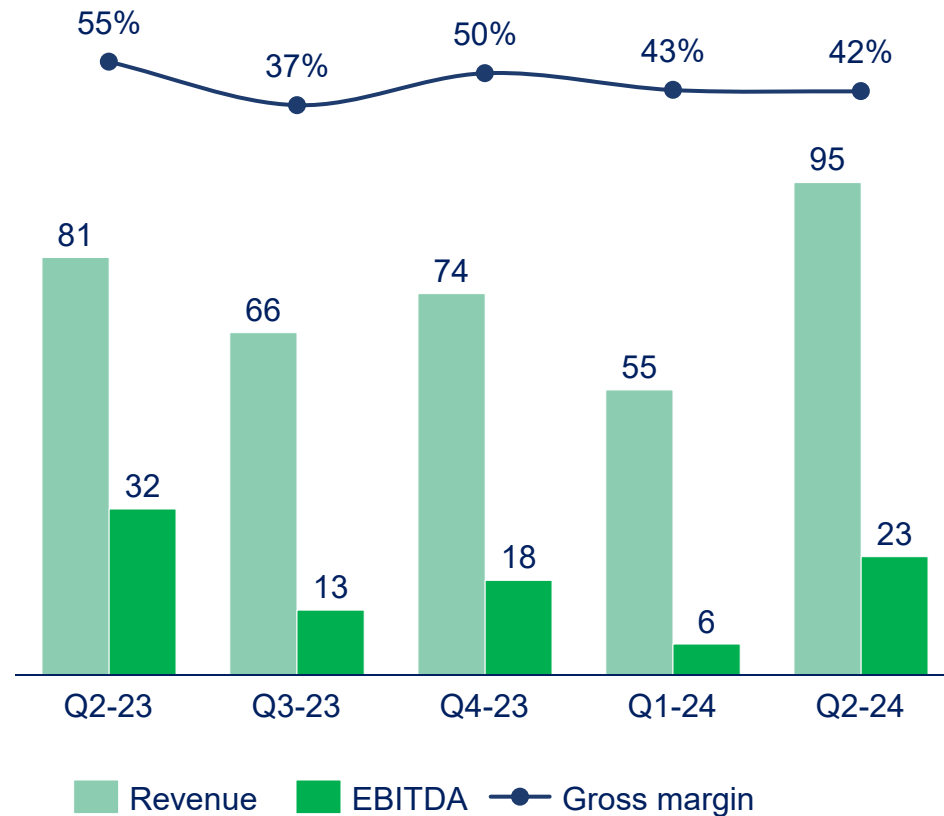


- Revenue of NOK 211 million, up from NOK 157 million in the same quarter last year
- Revenue for the quarter driven by overall good progress on several of the ongoing construction projects
- Some projects delays (outside of Cambi's scope), but Cambi is set to deliver on all contracts in line with client schedules
- There were 16 ongoing THP construction projects end of Q2, up from 11 same quarter last year
- Gross margin in line with previous quarters

Quarterly revenue and EBITDA

Key financials per quarter

NOK million

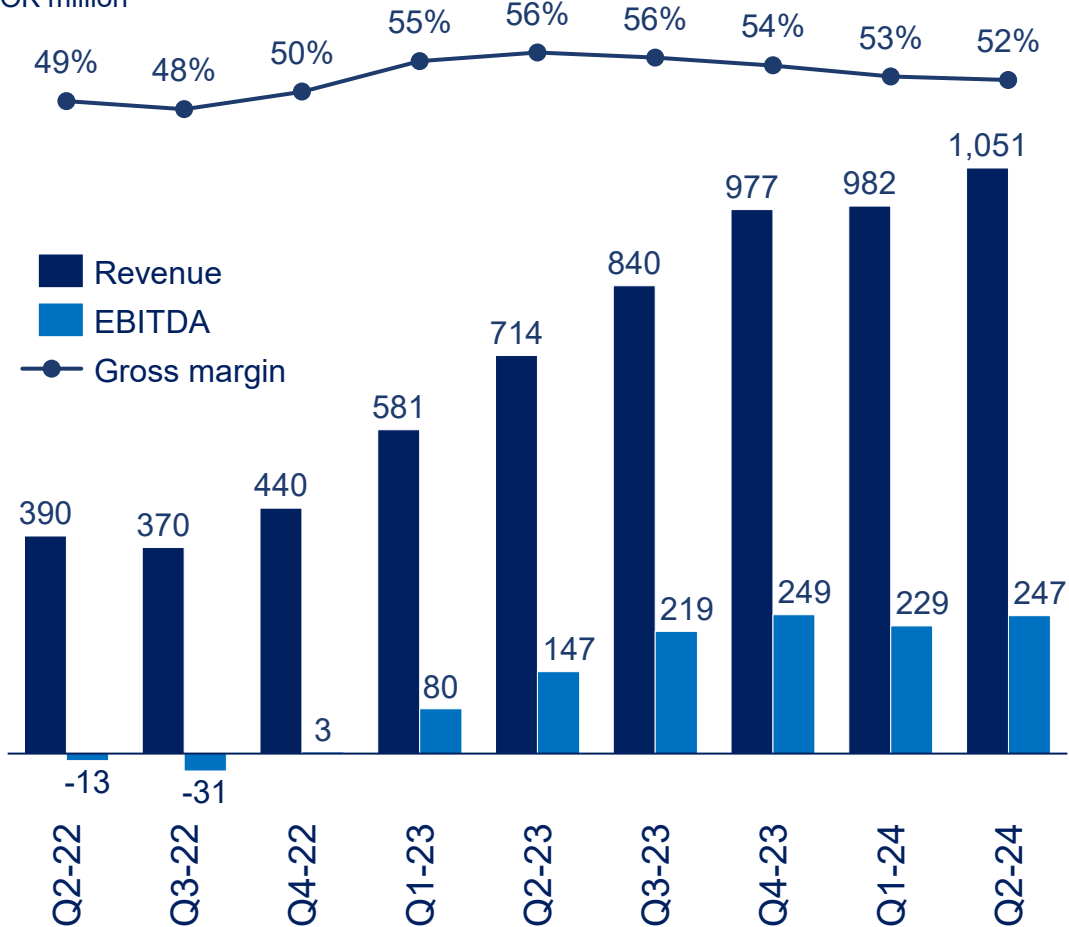


- Revenues of NOK 95 million, up from NOK 81 million in the same quarter last year
- Revenue uplift mainly from increased activity in the Recycling subsegment. Seasonality in soil sales with higher activity during warmer months in the year
- Gross margins in line with previous quarter, but down from same quarter last year due to subsegment mix
- EBITDA at NOK 23 million, down from NOK 32 million in Q2 2023, driven by increased operating expenses for the segment.
- There were 2 ongoing upgrade construction projects at the end of Q2, down from 3 in the same quarter last year

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

Revenue and EBITDA rolling LTM

NOK million



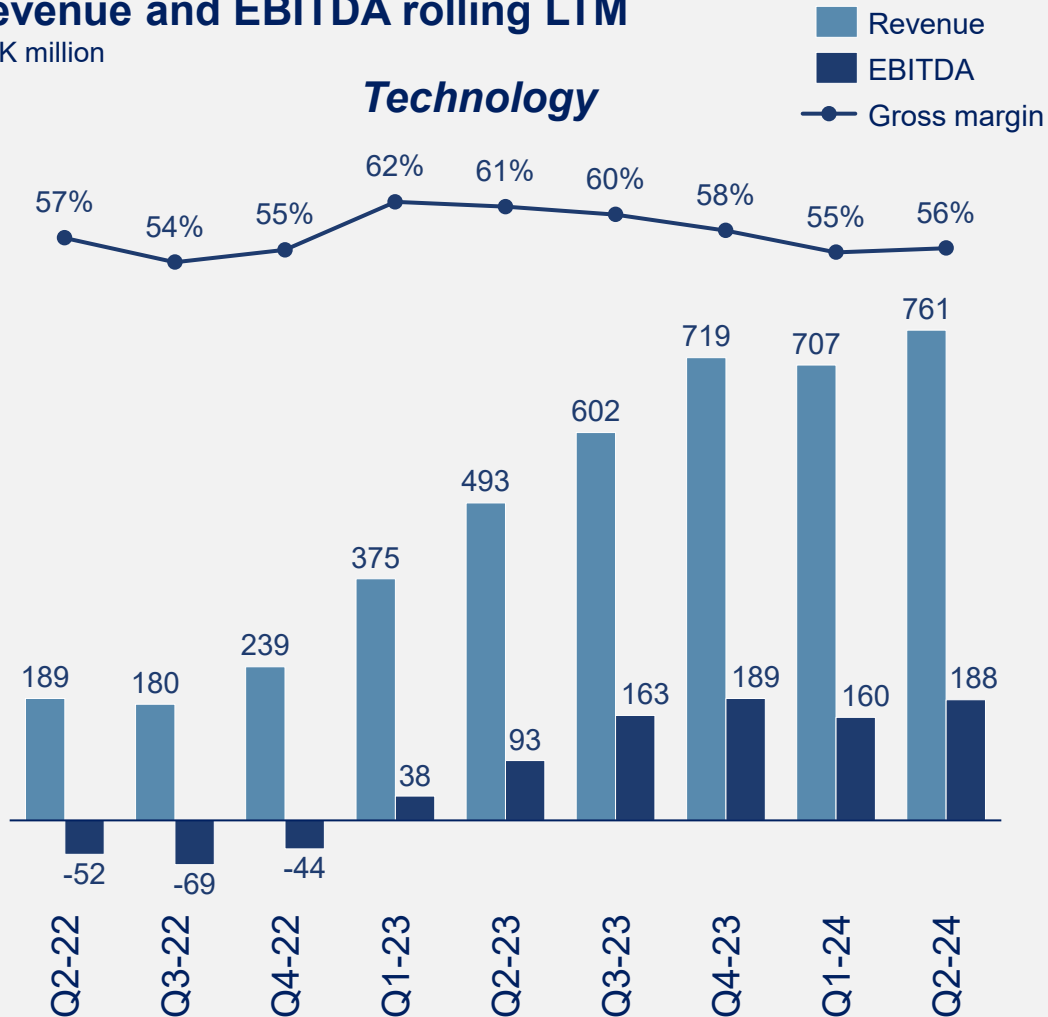
- Strong momentum build-up in LTM revenues over the last quarters, surpassing the NOK 1 billion mark in the second quarter
- LTM revenues growing each quarter since Q3 2022
- LTM EBITDA in Q2 is at the level of full-year 2023 EBITDA
- Scalable business model unlocking profitability, demonstrated by solid gross margins despite strong topline growth

Revenue and EBITDA on a rolling LTM basis per segment

Revenue and EBITDA rolling LTM

NOK million

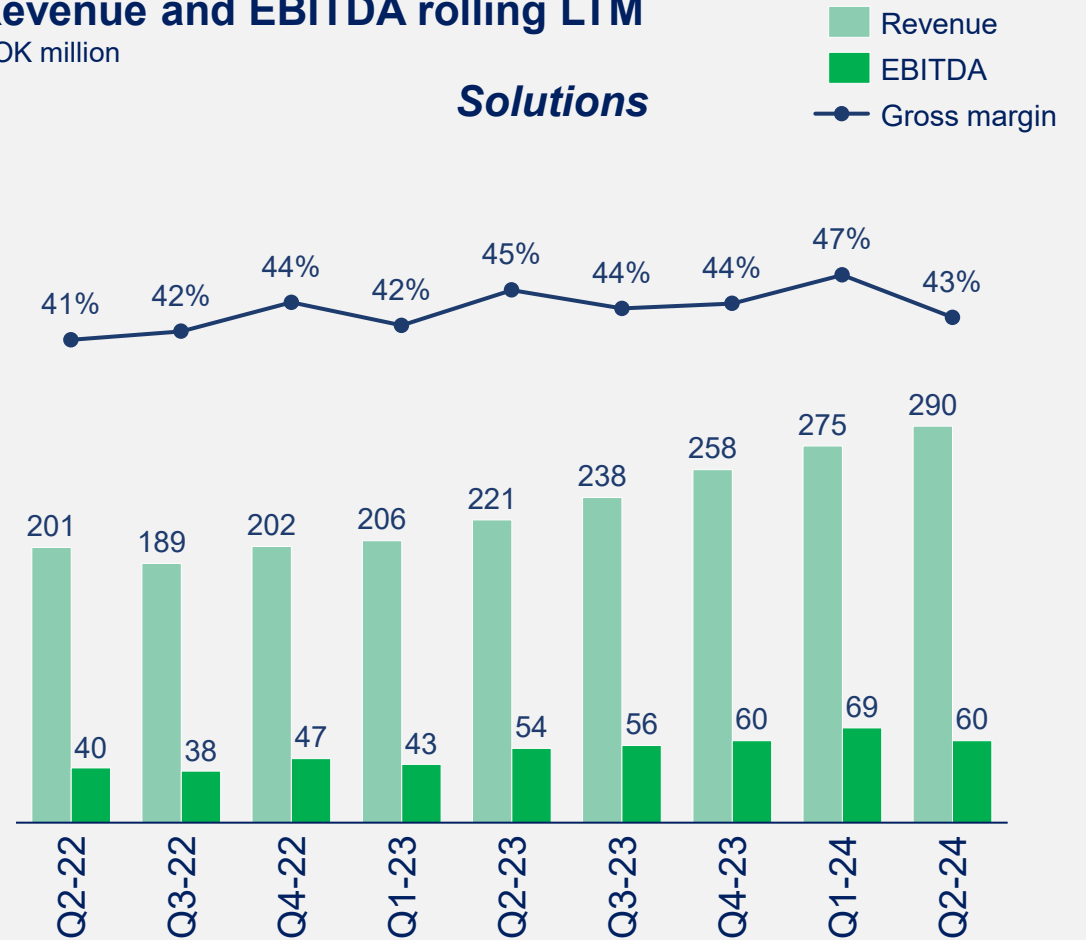
Technology



Revenue and EBITDA rolling LTM

NOK million

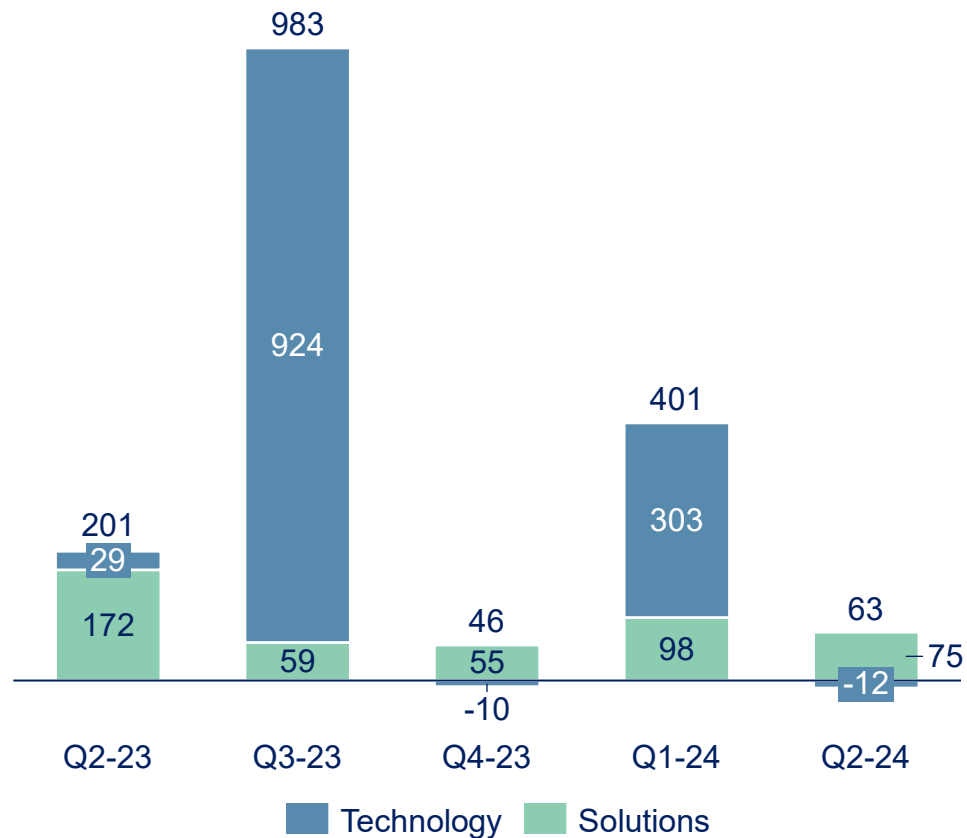
Solutions



Order intake in Q2 was NOK 63 million

Order intake per quarter

NOK million



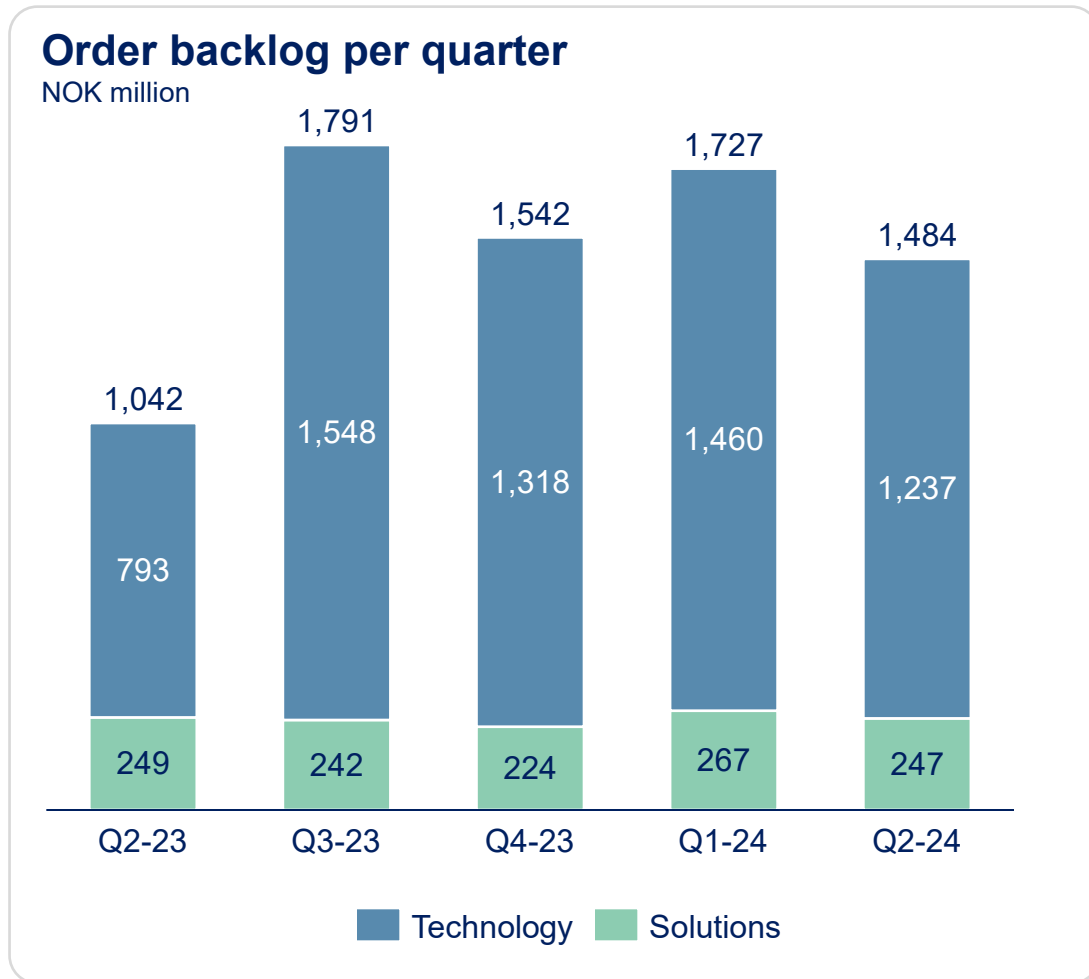
There were no construction contracts announced during Q2



Grønn Vekst was awarded a renewed small contract for managing the garden waste from the municipality of Bærum, Norway

- Several variation orders for ongoing construction contracts and smaller upgrade projects below announcement threshold have been received

Order backlog at NOK 1.5 billion at the end of Q2

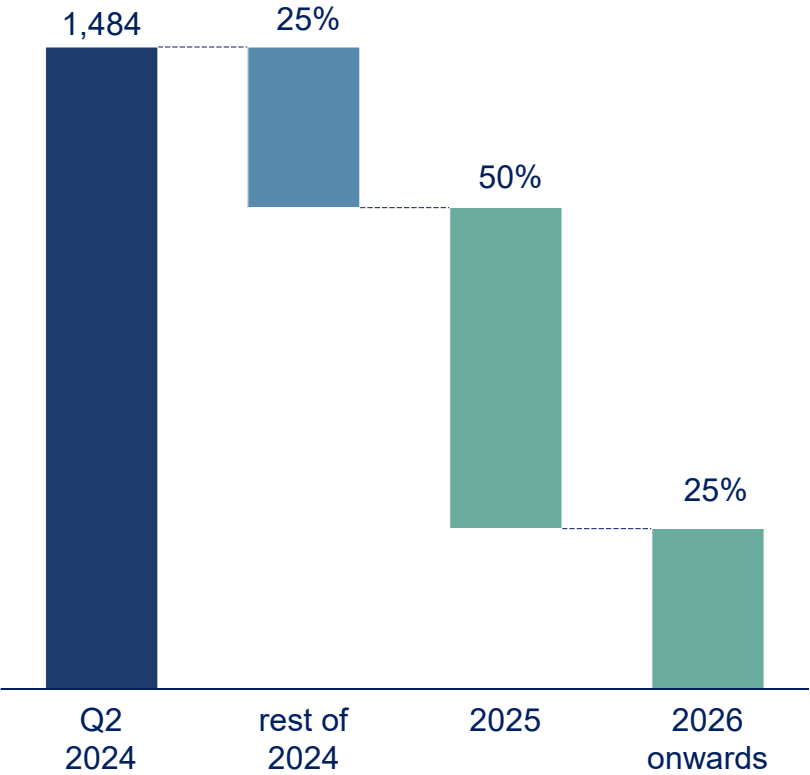


- The firm order backlog is reported at NOK 1.5 billion at the end of Q2 2024
- The strengthening of the NOK closing rate compared to the previous quarter caused a negative impact on the reported backlog of NOK 19 million
- There were in total 18 ongoing construction projects at the end of the quarter, up from 14 projects at the end of Q2 in 2023
- The substantial order backlog provides good visibility for future activity levels

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

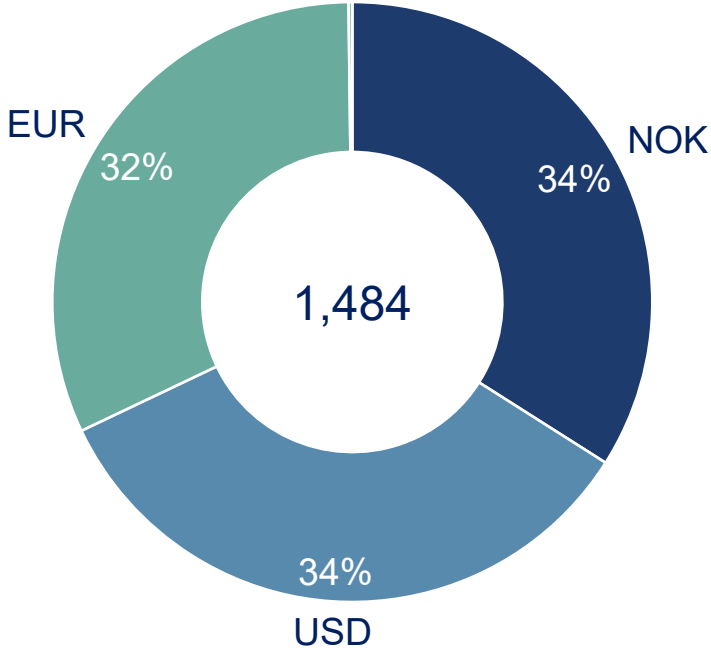
Order backlog by execution year

NOK million



Order backlog by currency

NOK million



Income statement

Consolidated income statement

| NOK million | Q2-23 | Q3-23 | Q4-23 | Q1-24 | Q2-24 |
|---------------------------------|------------|------------|------------|------------|------------|
| Revenue | 238 | 235 | 294 | 216 | 306 |
| Materials, goods and services | 105 | 119 | 140 | 101 | 143 |
| Gross margin | 133 | 116 | 154 | 115 | 163 |
| Payroll expenses | 37 | 42 | 64 | 49 | 50 |
| Other operating expenses | 32 | 4 | 32 | 29 | 31 |
| Operating expenses | 69 | 45 | 96 | 78 | 81 |
| EBITDA | 64 | 70 | 59 | 36 | 82 |
| Depreciation and amortisation | 6 | 6 | 6 | 6 | 6 |
| Operating profit | 58 | 64 | 53 | 30 | 76 |
| Net financial items | -5 | 6 | 5 | -9 | 2 |
| Profit (loss) before tax | 53 | 70 | 57 | 21 | 78 |
| Income tax expense | 0 | 0 | 44 | 0 | 20 |
| Net profit (loss) | 53 | 70 | 13 | 21 | 58 |

- Operating expenses reported at NOK 81 million, up from NOK 69 million in the same quarter last year, mainly due to payroll
- Payroll expenses are increasing mainly due to a growing Cambi organisation. In addition, payroll costs in 2024 now include bonus accruals on a quarterly basis
- Amortisation of acquired technology portfolio in 2022 to be concluded in Q2 next year
- Net financial items mainly from realised interest income from the sale of financial assets
- The income tax is reported quarterly based on the latest reported effective tax rate (20% in 2023)

Balance sheet

Consolidated balance sheet

| NOK million | Q2-23 | Q3-23 | Q4-23 | Q1-24 | Q2-24 |
|-------------------------------------|------------|------------|------------|------------|------------|
| <i>Assets</i> | | | | | |
| Intangible assets | 72 | 67 | 30 | 25 | 21 |
| Tangible assets | 31 | 32 | 35 | 36 | 43 |
| Financial assets | 1 | 1 | 7 | 6 | 5 |
| Total non-current assets | 104 | 99 | 72 | 68 | 69 |
| Inventories | 75 | 75 | 71 | 91 | 68 |
| Debtors | 251 | 222 | 242 | 284 | 336 |
| Financial assets | 102 | 102 | 108 | 108 | - |
| Bank deposits | 168 | 282 | 240 | 226 | 259 |
| Total current assets | 597 | 681 | 662 | 708 | 662 |
| Total assets | 701 | 780 | 734 | 776 | 732 |
| <i>Equity and liabilities</i> | | | | | |
| Equity | 520 | 489 | 339 | 373 | 428 |
| Non-current liabilities | 1 | 0 | 13 | 13 | 13 |
| Current liabilities | 180 | 291 | 383 | 390 | 292 |
| Total liabilities | 181 | 292 | 395 | 403 | 304 |
| Total equity and liabilities | 701 | 780 | 734 | 776 | 732 |

- Balance sheet shows that Cambi has a solid financial position
- Bank deposits reported at NOK 259 million in the quarter, up from 168 million in Q2 2023
- Financial assets were realized in the quarter
- Earned, not invoiced revenue from construction contracts was recorded at NOK 201 million in Q2, up from NOK 75 million in Q2 2023
- Accrued project-related costs were NOK 153 million in Q2, up from NOK 96 million in Q2 2023
- Cambi has no long-term debt

Cash flow statement

Consolidated cash flow statement

| NOK million | Q2-23 | Q3-23 | Q4-23 | Q1-24 | Q2-24 |
|--|------------|------------|------------|------------|-------------|
| <i>Cash flow from operating activities</i> | | | | | |
| Profit/loss before tax | 53 | 70 | 57 | 21 | 78 |
| Tax paid for the period | 0 | 0 | -0 | -3 | -0 |
| Ordinary depreciation | 6 | 6 | 6 | 6 | 6 |
| Change in inventory | -15 | 0 | 4 | -20 | 23 |
| Change in accounts receivable | -69 | 18 | -16 | -2 | -6 |
| Change in accounts payable | 21 | -9 | 10 | -7 | 24 |
| Effect of exchange rate fluctuations | 3 | -6 | -2 | 13 | -4 |
| Change in other accrual items | 6 | 35 | -3 | -21 | -30 |
| Net cash flow from operating activities | 5 | 115 | 58 | -12 | 91 |
| <i>Cash flow from investment activities</i> | | | | | |
| Payments for the purchase of fixed assets | -12 | -1 | -4 | -3 | -9 |
| Payments for share buy back | 0 | 0 | 0 | 0 | 0 |
| Proceeds from employee loan repayment | 0 | 0 | 0 | 1 | 1 |
| Proceeds for the sales of money market fund shares | 1 | 0 | 0 | 0 | 110 |
| Net cash flow from investment activities | -11 | -1 | -4 | -2 | 102 |
| <i>Cash flows from financing activities</i> | | | | | |
| Instalment payments of long-term liabilities | 0 | 0 | -0 | -0 | 0 |
| Dividends paid | -24 | 0 | -96 | 0 | -160 |
| Change investment equity method | 0 | 0 | 0 | 0 | 0 |
| Net cash flows from financing activities | -24 | 0 | -96 | -0 | -160 |
| Net change in cash and cash equivalents | -30 | 114 | -42 | -14 | 33 |
| Cash and cash equivalents at the start of the period | 199 | 168 | 282 | 240 | 226 |
| Cash and cash equivalents at the end of the period | 168 | 282 | 240 | 226 | 259 |

- Solid operational cash flow of NOK 91 million in Q2, due to several milestone payments from ongoing construction contracts
- Purchase of fixed assets is related to our Recycling segment Grønn Vekst
- Money market funds of NOK 110 million were realized during the quarter
- Dividends of NOK 160 million were distributed to shareholders during the quarter

A photograph of industrial piping and valves, overlaid with a semi-transparent blue filter. The scene shows various pipes, flanges, and valves in a complex industrial setting. The text 'Q&A' is centered in white.

Q&A

A dark blue world map is centered in the background of the page. A thin white vertical line descends from the top edge of the page, ending just above the 'Thank you' text.

Thank you

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