



**Presentation slides
7 December 2020**

WELCOME



2020 a complex disrupted year

- **H2 remains disrupted because of the health crisis**
- **With severe constraints remaining to the end of the year:**
 - Travel from Europe to the US and to Japan still not possible with little visibility on when this will again become possible.
 - Several projects frozen and waiting to be re-started and others moving but on a 'stop and go' basis.
 - In the US and the UK, virtual meetings are becoming the norm but this complicates our commercial activity.
 - Uncertainties around Capex commitments for municipals (US, France, Italy and Germany).
 - Numerous investment decisions pushed to mid 2021, especially in the US.

But, we have used the opportunity to get ready to bounce back in 2021

2021, ready on new bases

- **Several actions underway since March 2020 and still in progress:**
 - **Refocusing of Bizdev activities** concentrating on UK and US markets and on the 3 strategic partnerships with Alfa Laval, Itochu and Aqualia.
 - A completely revised and optimized French and international **organization** and strengthened international management
 - Significant work on **cost optimization** to lower of the fixed cost base for 2021 to around € 6 million
 - **The overhaul with a very marked commercial approach** to our communication tools: website, corporate and business communication channels: completion in Q1 2021
 - A significant optimization of our industrialization process and an **improvement in our industrial gross margin of at least 10%**, to start with.
 - **Accelerated development of Orège solutions** aimed at "**boosting**" the production of biogas / electricity from methanizers / digesters
 - **Positioning in the very promising niche of energy recovery from waste:** the Aqualia / Tolède project, currently being deployed, will make it possible over 2021 to fully qualify and quantify the contribution of Orège solutions (Reminder: 2 patents filed for these applications)



2021, ready on new bases

- **Support of our customers in a CSR approach**

Qualification and quantification studies of the contribution of Orège solutions for improving the environmental and climate footprint for our customers are underway

- Approach for our international clients, both municipal and industrial
- Approach for our shareholders and investors

Main sources of contribution identified:

- Reduce transport (CO2 savings)
- Electricity/energy savings
- Production of recoverable SLG sludge pellets
- 'Boost' in the production of biogas, which is a renewable energy
- Savings on polymers and other chemicals
- SLG sludge more suitable for land spreading and landfill
- 'Reuse' of the water produced during the treatment of sludge by the SLG.
- . etc...

In-depth interviews with our customers and prospects will start in Q1 2021

🌐 Activity in the US and update on the Alfa Laval partnership

- **The economic environment in the US should be much better in 2021:**
 - **Election of Joe Biden as President :**
 - A very favorable environmental policy
 - A substantial 'Stimulus package' to revive the US economy
 - 40 to 100 billion \$ in aid dedicated to the water and waste recovery sectors should be voted and committed as of Q1 2021
- **A significantly strengthened Orège sales force for 2021:**
 - **14 commercial contracts with regional Sales Reps, covering around 90% of the US territory, were negotiated and signed in H2 2020**
only 3 Sales Reps supported Orege at the start of 2020



Activity in the US and update on the Alfa Laval partnership

- **A significantly strengthened Orège sales force for 2021 :**
 - **Support from Alfa Laval in accelerating this commercial representation**
 - **Access to well-known network of Sales Reps**
 - **Direct contracts with clients via these Sales Reps with a standard commission of 8%:**
 - contracts for optimization by the SLG of BFPs already installed
 - on the sale of SLG-F thickening solutions
 - **Contracts via Alfa Laval** for the construction, rehabilitation and expansion projects of WWTPs (SLG + BFPs)
- **Alfa Laval / Orège 2021:**
 - **Alfa Laval teams now trained** in Orège solutions
 - A qualification process for committed projects (**20 pre-qualified short-list projects**)

Activity in the US and update on the Alfa Laval partnership

- **Business development:**
 - **Orlando**
 - 1st project of approximately \$ 1 Million should be completed this month
 - Deployment of the first high capacity SLG solutions (80 m3 / h) upstream of Alfa Laval BFPs
 - **Multiple sales**
 - First additional sale to our GCUA customer in November 2020
 - 3 additional sales to various customers under negotiation possible in 2021
 - **After successful trials, 2 SLG-F thickening projects under negotiation**
 - 1st in Wisconsin
 - 2nd in Florida
 - Contracts possible H1-2021

Activity in Great Britain

- **General context clarified for the water sector**
 - 7 out of 10 water utilities have received approval from the government regulator OFWAT on their five-year plan (except Anglian Water among our customers)
- **A commitment to improving the environmental footprint and the circular economy really embedded:**
 - **'Net zero 2030'** for all the Water Utilities
 - Limitation of phosphorus concentrations in discharges into the natural environment
 - ➔ 'P Sludge' market: 1,000 projects announced on AMP7 in the UK
 - Reduce nuisance linked to the **transport of liquid sludge**
 - Reduce **odours**
 - **Reduce** the consumption of chemicals (**polymers**)
 - Optimisation of **biogas/electricity production from digesters**

Activity in Great Britain

- **A promising context for Orège :**
 - Estimate of increased water demand of at least 30% by 2030
 ➡ the production of wastewater / sludge would follow in the same proportions
 - Increasingly strong pressure from OFWAT to **adopt innovative technologies with a maximum ROI of 3 years**, in order to lower the price of drinking water / water rates
- **Focus for Orège :**
 - **Technologies fully validated** by early adopters: Anglian Water and Wessex
 - Technologies being validated at **Welsh, Thames Water and United Utilities (trials planned between Dec 2020 and Q1-2021)**

Activity in Great Britain

- **Focus for Orège (continued) :**
 - Orège responded to **2 tenders which are being evaluated**: SLGF thickening solutions for the treatment of 'P sludge' for 3 Orège solutions in total. A 3rd tender will be implemented in a few weeks for 4 additional SLGF solutions
 - a **dozen proposals** being analyzed or negotiated
 - **3 complete Orège solutions** perfectly suited to the British market (skid, container, mobile version) truly '**plug & play**' with usually only one week of implementation.
 - Solutions sold for **200 to 300 K€/unit**
 - A pertinent **business model**: more and more '**spend to save**' budgets for projects where the ROI of Orège solutions is a maximum of 2 years



Water & Sewerage Cies

1	Anglian Water
2	Welsh Water
3	Northumbrian Water
4	Scottish Water
5	Severn Trent
6	South West Water
7	Southern Water
8	Thames Water
9	United Utilities
10	Wessex Water
11	Yorkshire Water
12	Northern Ireland Water
13	Irish Water





Activity in Great Britain

TWO KEY EXAMPLES

- **SCOTTISH WATER :**
 - It manages the **entire water cycle in Scotland**, for around 3 Million PE under a 6-year plan (ending 03/31/2021) under the supervision of the Scottish Parliament.
 - With **1800 WWTPs**, Scottish Water manages the largest number of WWTPs among the 12 Water Utilities in the UK
 - **A very strong and proactive environmental approach**, in particular for:
 - Reduction in the transport of liquid sludge
 - Protection of rivers, lakes and seas
 - 'Net zero 2040 'is a major goal



Activity in Great Britain

TWO KEY EXAMPLES

- **OREGE and SCOTTISH WATER :**
 - **Sale of 3 SLGF solutions in the last 6 months**
 - 1 mobile version
 - 1 skid/fixed version
 - 1 containerised version
 - **8 projects undergoing technical qualification and / or negotiation** in 3 distinct regions of Scotland since summer 2020



Activity in Great Britain

TWO KEY EXAMPLES

- **THAMES WATER :**
 - **The biggest Water Utility in the UK** (2 Billion CA) with 15 Million PE and one of the world leaders in the field of water.
 - **400 WWTPs and 32 sludge treatment centres (STC)**
 - **25 of these STCs** are equipped with anaerobic digestion allowing a **very high production of biogas and electricity**: around 40 Me of "market value" or 25% of the energy needs of the Thames Water group.
 - **Recognized for its environmental approach**: objective 'net zero 2030' claimed since 2019
 - A world leader in the **adoption of new technologies**
 - Thames Water operates the **largest installed base of band filters / BFPs in Europe, i.e. around 100 units, 80% of which are Alfa Laval**



Activity in Great Britain

TWO KEY EXAMPLES

- **OREGE and THAMES WATER :**
 - First contacts initiated 3 years ago...
 - **January 2021:** Planned trials for an SLGF thickening solution on a WWTP north of London, already qualified
 - Currently identifying a site **for SLG + BFP tests.**



IN CONCLUSION

A year disrupted by two waves of the epidemic and complicated by the resulting constraints ...

Despite this, for Orège, a year under the aegis of consolidation and construction:

- Partnership with a world leader Alfa Laval with the first reciprocal commitments taking shape in the month that followed.
- A booming UK market with a large number of projects in the pipeline.
- In Spain with Aqualia, deployment underway of the first Orège project to evaluate the boost in biogas / electricity production.
- In the USA, sales momentum strengthened with 14 new Sales Reps.
- Optimisation of the organisation and of the costs for industrialisation almost complete.
- Base of fixed costs significantly reduce



IN CONCLUSION

Outlook for 2021 that depends on:

- The timing of the reopening of the borders (especially US and Japan) and the successful management of the Covid 19 epidemic (vaccination).
- The ability of the Orège and Alfa Laval teams to meet quickly in Europe and the US, to accelerate the implementation of joint projects.

The main objectives for Orège remain:

- EBITDA breakeven by the end of 2021 with 2020 in line with the expectations announced during the publication of the half-year results.
- Financing requirements covered with the balance of the current account of EREN Industries, Orege's majority shareholder whose support remains constant and valuable.

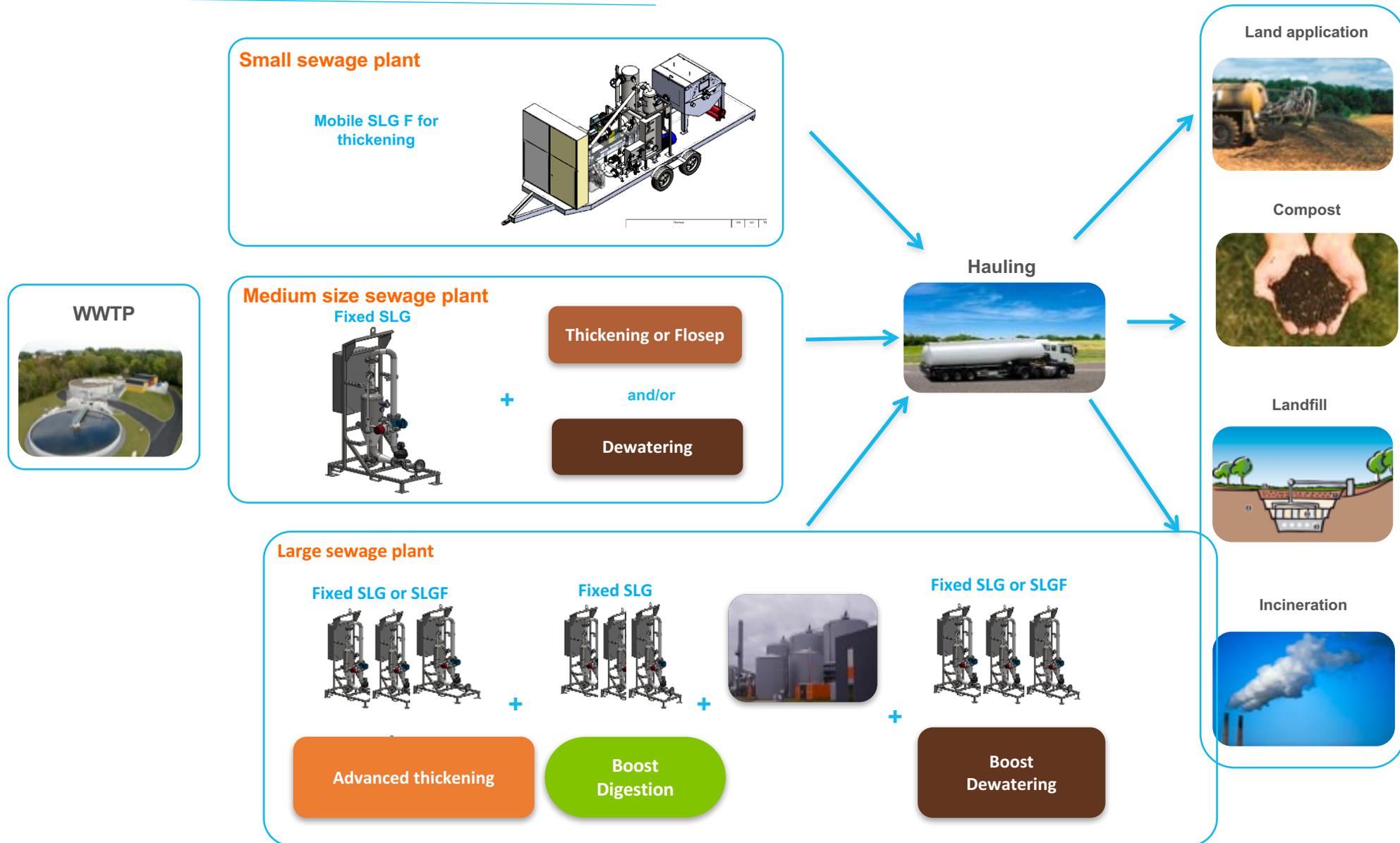


Thank you and goodbye !

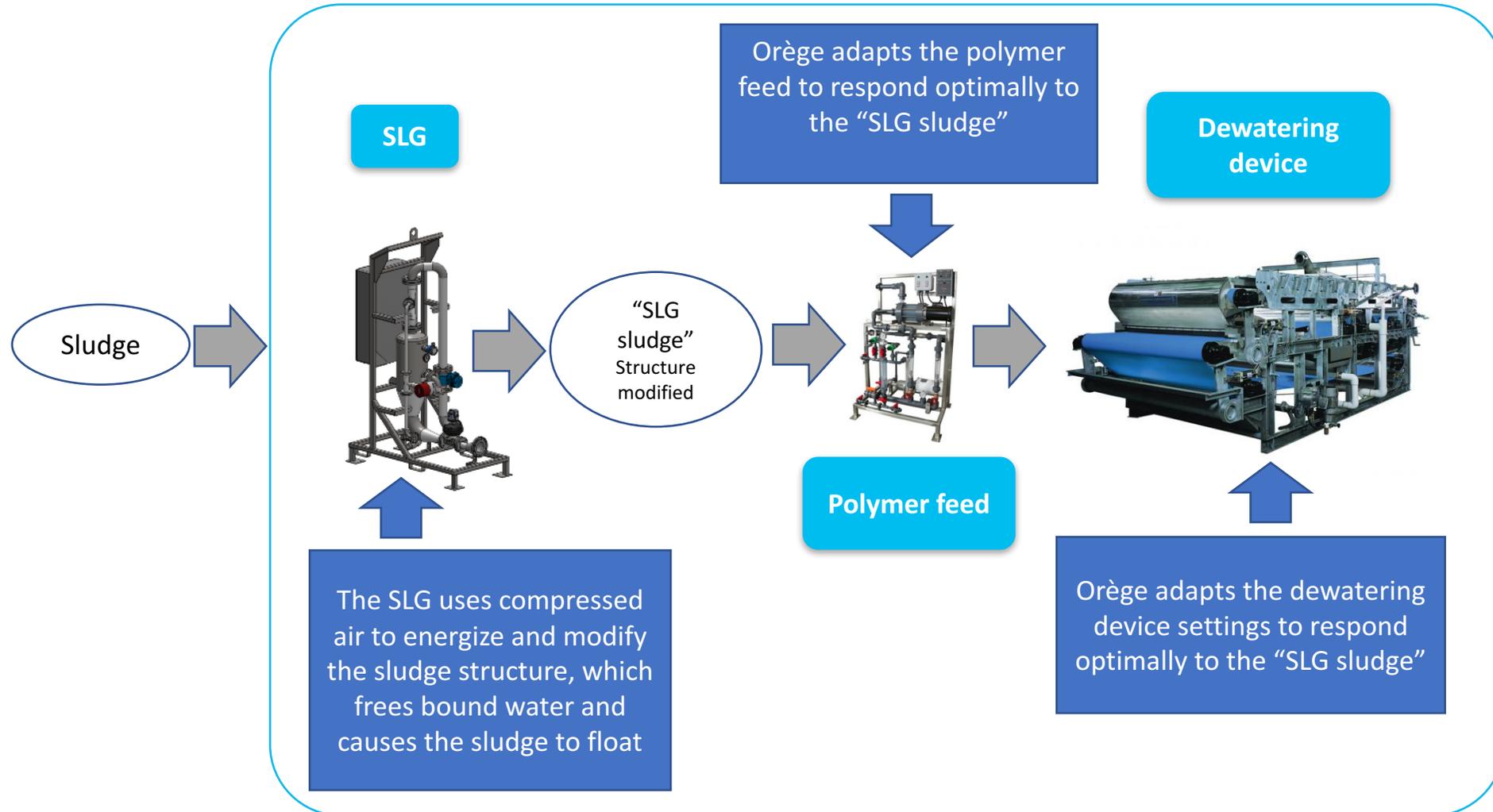


ANNEXES

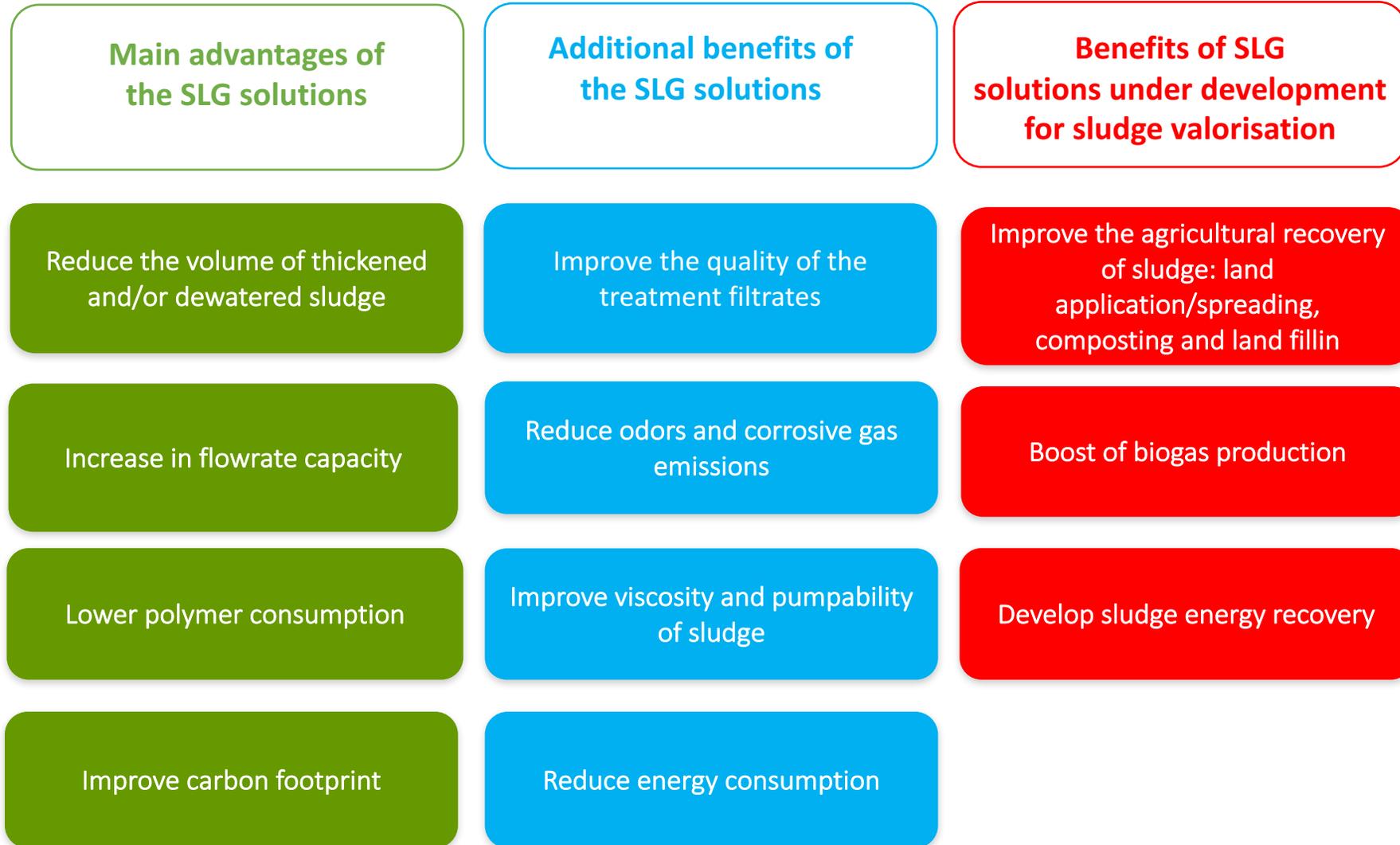
Positioning of SLG solutions in biological WWTPs



Orège has developed SLG solutions rather than equipment



Benefits of SLG solutions



Bizdev strategy and targeted countries

