

Information meeting June 10th, 2021







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Macro" evolutions since Dec-2020

- 1. The activity still generally troubled in H1-2021 by the constraints linked to the Covid pandemic in Europe, the USA and elsewhere
- Travel between France/UK and the US still impossible or very constrained in both directions
- Travel to Japan still strictly impossible
- Several projects (3/4) are still "frozen", denied access or called into question, in Germany, the US or for Aqualia Toledo.
- Activity picking up in the UK, despite total lockdown from 19/12/2020 to 12/04/20, but slow
- 2. Numerous stimulus plans that should significantly support Orege's Bizdev over the coming years are being announced and put in place, particularly in the US and Europe. However, some US municipals are awaiting the terms of the granting of the federal aid (Biden stimulus bills) in the form of loans or grants and so are delaying their Capex decisions for certain eligible projects integrating Orege solutions.



Main evolutions for Orège since Dec-2020

- Recognition for our SLG technology and Orège solutions in the UK which could generate numerous orders from several Water Utilities including Thames Water, Scottish Water, Southern Water, Wessex Water, United Utilities, etc. As such, the recent reference in May 2021 at Scottish Water's Alberfeldy site (package plant) should constitute a turning point in the construction of the project for Orege because this truly complete "Plug & Play" solution also brings economic benefits for our customers.
- 2. An ongoing project with the plant operators at a treatment plant in Geneva (SIG) which is well reknowned for its CSR approach, is very promising and likely to become an important showcase for Orège in Europe should it be confirmed
- 3. A marketing, sales and communication approach with a very strong CSR focus thanks to the successfull qualification and quantification of the CSR benefits of our solutions:
- Completely redesigned website
- "CSR" presentation where the contributions of Orège solutions are qualified and quantified
- Technical brochures for SLG, SLGF etc ... rewritten



Main evolutions for Orège since Dec-2020

- 4. An ability to adapt and manage the new constraints concerning the supply chain for electrical and electronic components and certain raw materials (steel, stainless steel) which are impacting our main equipment suppliers (motors, pumps, valves, PLCs, etc.) thanks to a fully reviewed purchasing and inventory management.
- 5. Continued efforts to lower Orege's breakeven point:
- Continuous renegotiation of the purchase conditions for equipment and manufacturing of our solutions: 4 points of gross margin gain still targeted by the end of 2021 compared to the end of 2020
- As an example, a new lease (3,6,9) was signed in the PACA region for mixed office / activity premises and will be implemented from July 2021 with a divides by 3 the annual rent and service cost (for an area divided by 2) => savings of 80 K € per year for a full year
- 6. A adaptable business model: bizdev accelerated thanks to a new rental offer



Evolution of Orège's Business Model

- The classic sale is still prioritised ... but pragmatic evolution since Q1-2021
 - ♥ To cope with increased funding constraints since the start of the pandemic
 - ✤ To meet the expectations and requests of our customers and prospects
 - ♥ To increase the portfolio of SLG solutions implemented around the world
- Orège now offers to rent its solutions by being flexible and pragmatic.
 - Short term rental, post demo / trials whilst awaiting the Capex funding for the sale
 - Sental over a longer period (more than 1 year) with associated services:
 - preventive and corrective maintenance
 - operator training and process optimization



Orège & UK Water Utilities Summer 2021 vs 2020

Mid-2020

Projects sold and operated

- > Anglian Water 3 units
- > Wessex Water 1 unit

Ongoing projects /demos :

- > Welsh Water
- Scottish Water

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Mid-2021

Projects sold and operated

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- Anglian Water 3 units
- Scottish Water 4 units
- Wessex Water 1 unit and 1 unit on hire

Ongoing projects/demos:

- Thames Water
- Southern Water
- United Utilities
- Welsh Water

Anglian Water	Thames Water	
Welsh Water	United Utilities	
Northumbrian	Wessex Water	
Scottish Water	Yorkshire Water	
Severn Trent	Northern Ireland Irish Water	
South West		
Southern Water		

SCOTTISH WATER



- It manages the entire water cycle in Scotland, for around 3 Million PE under a 6-year plan (starting 04/01/2021) 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
- Sale of 4 SLG-F solutions in the last 12 months
- 2 new orders delivered in H1-2021
- We are hoping for several additional orders in 2021 for Orège solutions with different contacts, in particular by working with a greater number of regional managers
- The various constraints linked to the pandemic delayed the placing of these orders: travel constraints on sites for project qualifications and/or tests, decision-making process between regional managers, WWTPs managers and disrupted purchasing departments



SCOTTISH WATER: ABERFELDY / a key reference



- Aberfeldy is in the same East of Scotland operational area as Kirriemuir STW (mobile unit) and Montrose STW (2 Orège solutions already sold).
- The containerized SLGF solution was chosen to replace a competing sludge thickening solution (rotary screen) and was delivered, installed, implemented and handed over in less than 1 week.
- The key objectives for the purchase of this solution were to reduce the number of tankers and the CO2 footprint, with an ROI < 2 years
- Aberfeldy's SLGF unit is the first version supplied with an activated carbon filter for odor treatment as well as with a Siemens PLC, the standard in the UK
- A new order for the Inverurie site was received in May 2021 upon finalisation of the Aberfeldy project



SCOTTISH WATER: Aberfeldy Skid



SCOTTISH WATER: Aberfeldy / a key reference







THAMES WATER: Harpenden / a strategic demo



- Harpenden STW was selected for the Orege tests given the large number of tankers used for the transport of liquid sludge (> 40 / week), and the risks concerning the conditions of effluent discharge (suspended solids and ammoniacal nitrogen).
- The site chosen was one of the most constrained in the Thames Group with the most complex sludge.
- The successful 2-week trials with the Orege solution were carried out in April 2021
- All the objectives set by Thames Water were met/exceeded: reduction in the number of tankers, reduction of ammonia concentration of aqueous discharge and reduction of polymer consumption.
- Thames Water has already rented the Orege unit for 6 weeks pending the release of Capex
- The ROI of the corresponding Capex on this project would be less than 2 years.
- Several discussions are ongoing with several managers of the Thames Group to study the possibilities of deploying Orege solutions for various possible applications.
- The process has started for inclusion of SLG technology on their "asset standard" for sludge thickening.



OTHAMES WATER: Harpenden / a strategic demo

Extracts from the draft final report by Thames Water



«The results show that the unit meets and exceeds performance expectations. The innovative air injection, compression and decompression system appears to provide the beneficial effects on sewage sludge thickening. No discernible impact was observed on site electrical consumption or connected process »

- Inclusion of the process as a pre-treatment technology to enhance sludge thickening.
- Specific assessment for tactical implementation at other large export sites, according to current number of movements, quality of sludge and location.
- Suggestion for tactical implementation at Sludge Treatment Centres with limited thickening capacity.
- Tactical implementation at Harpenden STW based on the %DS achieved by the Orège unit, the current schedule of trucks of 44 loads per week would decrease to 15 loads.

Consequently, it is possible to estimate a saving in transport costs of approx. £115k per annum (from current £175k to £60k), significantly reducing in addition the disturbance to nearby customers (58 less passing per week) and a reduction in carbon emission by 31.4 tCO2/year.



GENEVA PROJECT



- Orège was contacted directly by the management of SIG who runs the WWTP for the city of Geneva in Q1-2021 for a potential project on the Bois de Bay WWTP. This contact followed our press releases concerning our UK references and the "CSR marketing" of Orège solutions.
- The project is similar to the ones we have been rolling out in the UK. We had to demonstrate that the Orege solution can thicken sludge to> 6%, while remaining pumpable. The management plans to replace the centrifuges currently in use, which remain very expensive in operation and have a very unfavorable impact on their carbon footprint.
- The trials are in progress and are going very well. The client plans to acquire Orège solutions in 2022, already convinced that the results obtained would be sustainable and would allow SIG to generate financial savings and improve the environmental footprint.
- So far, we have been very favorably impressed by the context, the business case and by the SIG contacts:
 - ♥ Very professional, proactive, transparent and motivated technical management
 - ↔ This WWTP is the most modern and the most innovative visited
 - ♥ They are very keen on improving the environmental footprint.



Activity in US-Partnership with Alfa Laval

ORLANDO/FLORIDA



- 1st Project of around \$1 Million (leasing over 6 years) now commissioned
- This project will be fully deployed in summer 2021
- Implementation of 3 high capacity SLG solutions (80 m³/h) upstream of Alfa laval band filters.
- Joint marketing of this reference with Alfa Laval since Q2/2021 in the US (Cf appendix p.30)



Activity in US–Partnership with Alfa Laval

LA CROSSE (Wisconsin)

- 1st SLG-F thickening project (main application sold in the UK) under contract in Q2 / 2021 and with a "sole source" approach
- The project could be executed this year \simeq € 300,000 in turnover

SYNAGRO

- Project executed and closed in Q1-2021 with the US leader in "sludge management" in Fort Worth (Texas)
 - \simeq 500 K \$ of CA for a ROI \simeq 3 years
- Synagro generates around \$ 300 million in turnover in the US and was acquired in early 2021 by a Goldman Sachs fund with 2 main objectives:
 - Adoption of innovative technologies improving the group's profitability
 - Implementation of solutions improving the Group's environmental footprint



Activity in US-Partnership with Alfa Laval

ALFA LAVAL ORDER

- A first order was made by Alfa Laval for ~ 25 days of Orege expertise for the optimization of the sludge workshop of a WWTP customer of the Group ~ 35 K \$ of CA (to be implemented at the rate of 1 week per quarter)
 - Highlighting Orege know-how in the Alfa Laval network in the US and elsewhere
 - Best means to understand the sludge workshop and market Orege solutions for better optimization of the sludge workshop
- Numerous other similar services are being discussed with Alfa Laval as well as with several engineering companies including the US leader, the Jacobs Group.



Orège solutions are part of a Corporate Social Responsibility approach

Orège solutions significantly improve the performance in the stages of the thickening of anaerobic digestion and of dewatering and through to the drying of sludge in wastewater treatment plants.

The positive impacts on environmental and societal aspects are as follows:

Contribution to sustainable development goals

- Reduction of the carbon footprint of the "sludge" sector
- Preservation of terrestrial and aquatic environments
- Facilitation of societal acceptance of the treatment and recovery of sludge
- Optimization of renewable energy production
- Preservation of resources and reduction of dependence on fossil fuels



Orège solutions are part of a Corporate social Responsibility approach

Optimization of the operation of the sludge treatment system

- Optimization of the treatment capacity of equipment
- Reduction of time and associated costs for the operation of equipment
- Reduction in the volume of sludge to be transported
- Reduced consumption of reagents
- Improvement of the rheological and physicochemical characteristics of sludge allowing an optimization of agricultural recovery
- Improving the quality of and reusing the filtrate

Optimization of the recovery of the sludge produced

- Agronomic and landscape development
- Biogas/biomethane production
- Co-incineration (substitution for fossil fuels)



Orège solutions are part of a Corporate social Responsibility approach

Through its technologies and solutions, Orège contributes to the sustainable development goals established by the Member States of the United Nations.



In 2021, Orège is offering to accompany its customers on the positive impact of SLG or SLG-F solutions on their CSR assessment.

Orège, a Socially Responsible Investment



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Orege's Main Objectives for 2021

- A breakeven EBITDA by the end of 2021
- A strong support from Eren Industries who has respected all its financing commitments ("envelopes" approved in 2019/2020)
- An activity that should be sustainable once freed from the constraints related to the pandemic





Appendices



UK Business Development



All the UK water companies have commited to improving their environmental footprint and subscribe to a circular economy

- 'Net zero 2030' target for all the Water Utilities
- Stricter phosphorus limits for effluent discharge into water courses

'P Sludge' market: 1,000 projects announced in 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



CUK Business Development



A promising context for Orège:

- All water companies in UK have now received approval from the government regulator OFWAT on their five-year plans (AMP 7)
- 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
- 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 230 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



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 belt presses (band filters) in Europe, i.e. around 100 units, 80% of which are Alfa Laval
- Trial at Harpenden extremely successful (SLG-F mobile unit is currently on hire). Thames Water draft confidential report is very positive with several key recommendations and generating widespread interest in Thames Water.



SOUTHERN WATER



- Water and wastewater company with over 4.6million PE along the south coast of England with 365 WWTPs and 30 STC's
- Sucessfull SLG-F demonstration at Sittingbourne





SOUTHERN WATER: Sittingbourne Project



(Extracts from the final report by Southern Water)

« Orege SLG presented their technology to SW about 2 years ago and since then have successfully sold and installed units at other water utilities. Optimisation team wanted to trial the technology to assess the feasibility of a business case and hence Orege have kindly offered us their new SLG thickener which was successfully trialled at Sittingbourne WTW with the cooperation of site operations team and process team. The trial overall has proved a complete success and met most of the success criteria agreed prior to the trial.

The specific objectives of the trial were to determine:

- The thickening efficiency in dry solids percentage(DS%) of Orege's SLG thickener
- Suitability of SLG as a mechanical thickener for Sittingbourne WTW
- A DS% increase of at least 3%
- Scalability to full scale permanent installation »

Next Steps

- Discuss the trial results and agree next steps with the site operations and process teams
- Prepare a business case with a complete system review and Optioneering at Sittingbourne and Queenborough
- Explore SLG hire options for Sittingbourne until capital can be sourced for procuring the thickener."



GENEVA PROJECT

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Place the environment and energy transition at the base of our strategy

Minimize the environmental impacts and nuisances of our industrial activities

Saving water Protection of flora and fauna Play our role as the industrial right-hand man of the Canton both in the development of renewable energies and in the field of environmental efficiency related to our business sector

SIG is committed to sustainable development



Provide high added value environmental services

SIG is committed to developingan ambitious action plan and start its implementationimplemente d to achieve a neutral carbon footprint for the companyby 2030

Extract from the website



GENEVA PROJECT (video): SLG sludge compare to sludge from the centrifuge





Joint marketing Alfa Laval-Orege on Orlando Project

The Iron Bridge Water Pollution Control Facility treats 25 MGD of wastewater, servicing about 400,000 people for the city of Orlando, FL and surrounding areas.

The customer has experienced a lot of changes in their undigested waste activated sludge (WAS) as well as increased capacity needs in recent years, so have been upgrading several of their belt presses and gravity belt thickeners to the Alfa Laval AS-H Klampress 3-belt design belt press to get improved results. Recently, they opted to also test out an additional weapon to take on their sludge – the Orege SLGTM sludge conditioning system.

Delivering savings with Orege SLG

The SLG is a compact patented system that actually changes the rheology of the sludge using compressed air, freeing up water trapped in the sludge structures and making it easier to dewater. It's simple, but incredibly effective, often achieving a 1-2% or more increase in cake solids. This can mean huge savings in disposal costs. The City of Orlando is installing three SLG 400 units at Iron Bridge to handle over 50,000 wet tons of flow annually and they expect a 1,8% increase in final cake solids. This would mean over \$230,000 in reduced cost in the first year alone and potentially even more in future years as flow increases and as the belt presses are optimized.

In addition, the flexible lease-to-own financing option offered by Orege made the SLG solution attainable and fundable from the savings achieved in the process.





Orege SLG[™] System

Saving over \$230,000 a year with innovative dewatering solutions



Joint marketing Alfa Laval-Orege on Orlando Project

Growing with Alfa Laval and Orege for long term success

As part of their continued growth and enhancement, Iron Bridge is also upgrading its belt press fleet in a separate project with the recent purchase of two new Alfa Laval AS-H Klampress 3-belt units, which will make a total of five units once commissioned later in 2021.



The unique 3-belt design allows for additional gravity thickening in the same footprint as a standard 2-belt design.

These units will operate three at a time in cooperation with a corresponding SLG 400 system, allowing the plant to maximize its cake dryness.

How can you harness the power of Alfa Laval and Orege?

If your wastewater process can benefit from increased dryness or throughput in a belt press dewatering operation – visit our website at https: <u>www.alfalaval.us/products/separation/filters-and-strainers/belt-press/orege-slg/</u> and head to the bottom of the page to request a conversation with our experts. They will work with you to evaluate your process, test your sludge, and set you on course to understanding how you can take advantage of the extensive combined knowledge formed from decades of experience.

Alfa Laval and Orege have a global partnership working together to offer the combined power of belt press and SLG solutions.



Thank you For your time

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