



**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 additionnal sale to our GCUA customer in November 2020
 - 3 additionnal 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 possibles 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.

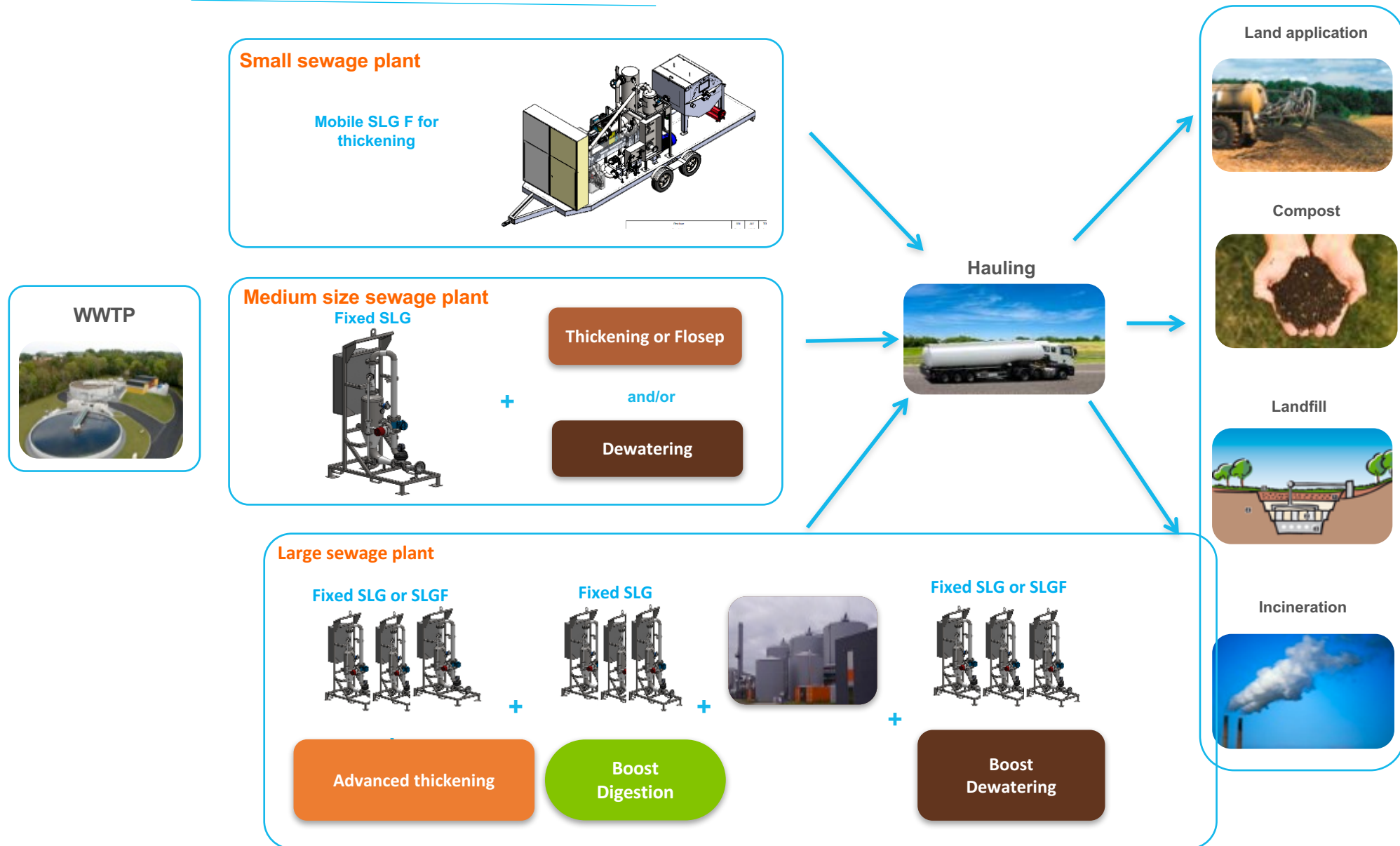


Thank you and goodbye !

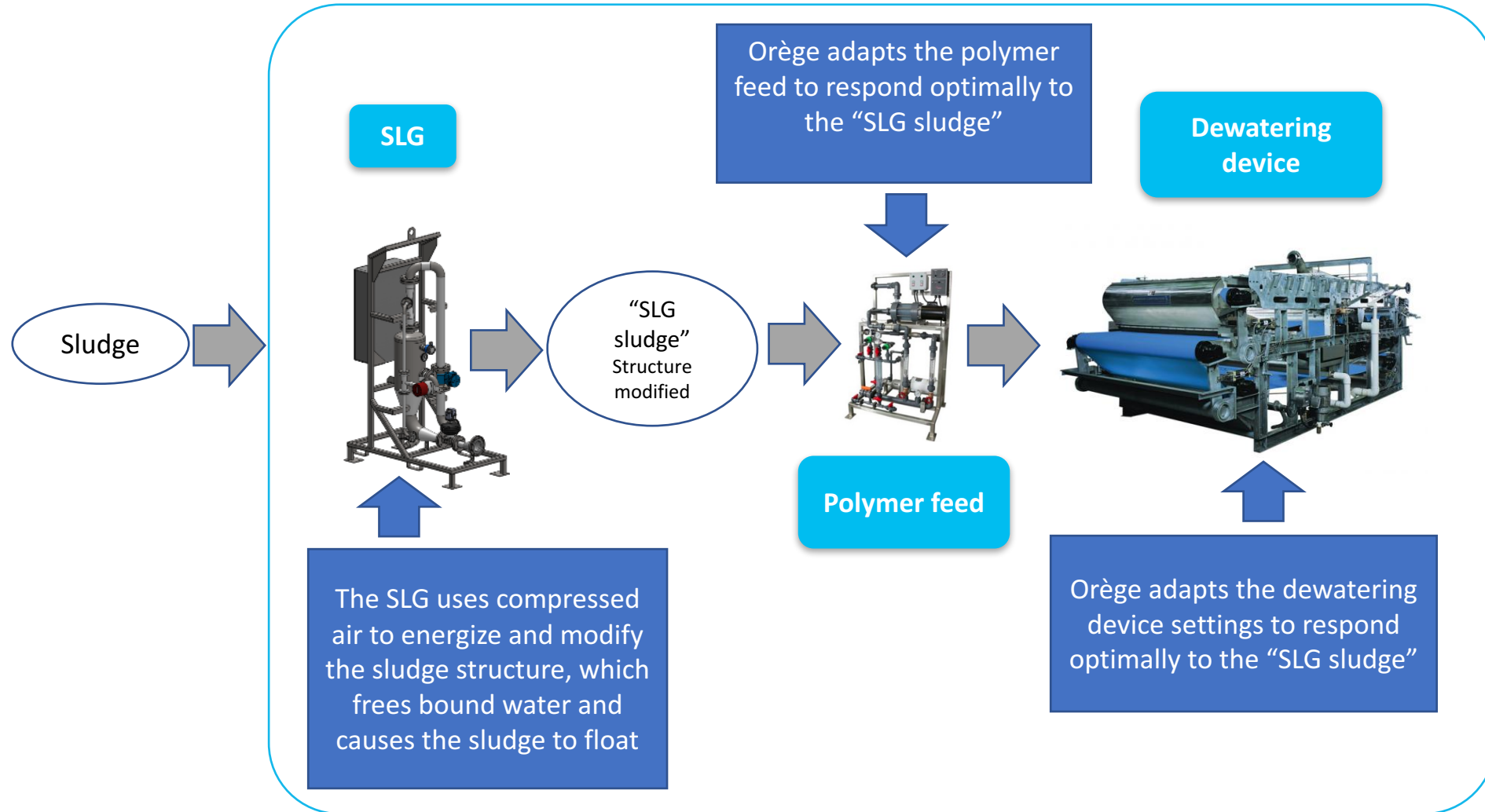


ANNEXES

Positioning of SLG solutions in biological WWTPs



Orège has developped SLG solutions rather than equipment



Benefits of SLG solutions

Main advantages of the SLG solutions	Additional benefits of the SLG solutions	Benefits of SLG solutions under development for sludge valorisation
Reduce the volume of thickened and/or dewatered sludge	Improve the quality of the treatment filtrates	Improve the agricultural recovery of sludge: land application/spreading, composting and land fillin
Increase in flowrate capacity	Reduce odors and corrosive gas emissions	Boost of biogas production
Lower polymer consumption	Improve viscosity and pumpability of sludge	Develop sludge energy recovery
Improve carbon footprint	Reduce energy consumption	

Bizdev strategy and targeted countries

