



ASX RELEASE | De.mem Limited (ASX:DEM)

Investor Presentation

30 November 2021: Water and wastewater treatment company **De.mem Limited (ASX:DEM)** (“De.mem” or “the Company”) is pleased to release the attached Investor Presentation with updated information about the business for future investors.

This announcement has been authorised for released to ASX by the Board of Directors.

-ENDS-

For further information, please contact:

De.mem Limited

Andreas Kroell

CEO

De.mem Limited

investor@demem.com.sg

De.mem Limited (ASX:DEM) is an Australian-Singaporean decentralised water and wastewater treatment business that designs, builds, owns and operates turnkey water and wastewater treatment systems for some of the world’s largest companies in the mining, electronics, chemical, oil & gas, and food & beverage industries. Its systems also provide municipalities, residential developments and hotels/resorts across the Asia Pacific with a reliable supply of clean drinking water.

De.mem’s technology to treat water and wastewater is among the most advanced globally. The Company is headquartered in Australia and has international locations in Singapore, Germany and Vietnam. It is commercialising an array of innovative proprietary technologies from its research and development partner, Nanyang Technological University (NTU) in Singapore, a world leader in membrane and water research. Technologies uniquely offered by De.mem include a revolutionary low-pressure hollow fibre nanofiltration membrane that uses less electricity and is cheaper to operate than conventional systems, as well as a new Forward Osmosis membrane deployed in de-watering applications or the concentration of liquids.

To learn more, please visit: www.demembranes.com

Forward Looking Statements

Statements contained in this release, particularly those regarding possible or assumed future performance, revenue, costs, dividends, production levels or rates, prices or potential growth of De.mem Limited, are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements depending on a variety of factors.



DECENTRALIZED WATER TREATMENT SOLUTIONS FOR INDUSTRIAL CUSTOMERS GLOBALLY

Investor Presentation
30 November 2021





1. INTRODUCTION TO DE.MEM





De.mem provides decentralized water treatment solutions for industrial customers in key segments



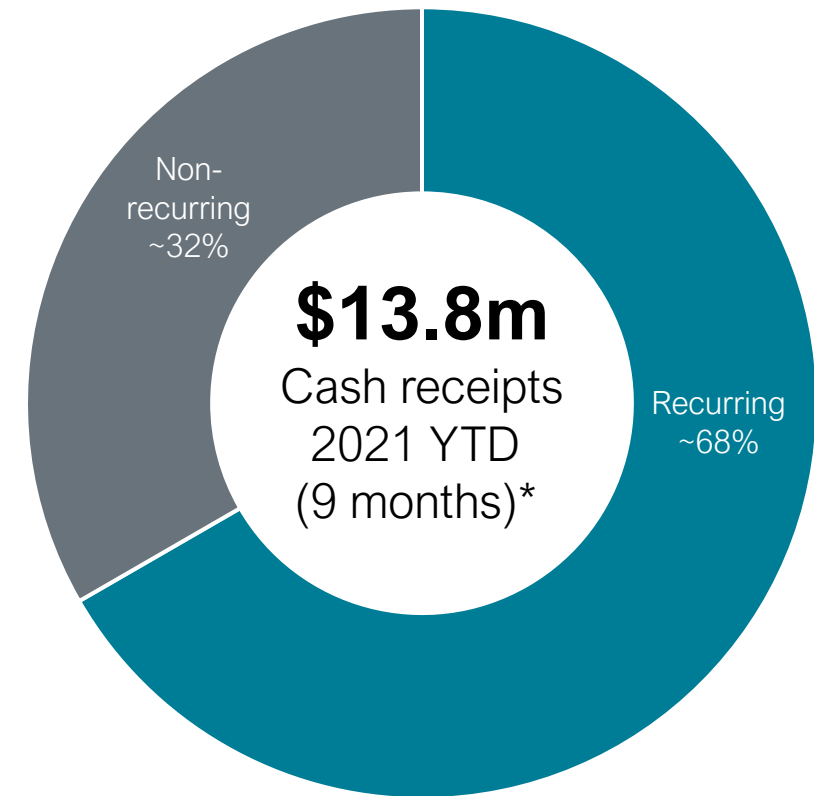
Its portfolio of world class membrane technology has broad application - potable water, industrial waste water, recycling & reuse and process water



Solutions valuable to mining, food & beverage and heavy industrial segments with high demand for water and wastewater solutions



De.mem's containerized Build-Own-Operate solutions have appeal to target markets and provide consistent, high margin recurring revenue



*September 2021 Quarterly Activities Report, released 27 October 2021

BLUE CHIP INDUSTRIAL CUSTOMER BASE



RioTinto



Givaudan



EXPERIENCED LEADERSHIP



Cosimo Trimiglozzi
Non-Executive Chairman

30-year experience in the feed and food ingredients / flavours & fragrances industry

Former COO at Wild Flavors, and was a key member involved in the sale of the Company to ADM Group for approx. US\$2.5 billion

Previously, MD Asia for Givaudan, Switzerland



Andreas Kroell
CEO & Executive Director

Previously Director and Partner of New Asia Investments, a Singapore-based technology investment firm, responsible for numerous investments in the water and industrial sectors

Experience at Nanostart AG, a German publicly listed nanotech-focused VC fund, and holding corporate finance roles with Deutsche Bank and Deloitte in Germany



Bernd Dautel
Non-Executive Director

Director and Partner with New Asia Investments for the past decade

Previously MD of Wieland Asia/Pacific, growing the Asia-Pacific business from a small enterprise to generating more than SGD\$400 million in revenues, for one of the world's leading independent producers of semi-finished copper and copper alloy products



Stuart Carmichael
Non-Executive Director

Principal and Director at Ventnor specialising in corporate and financial advice to small cap ASX listed companies including capital raisings, IPO's, restructures and M&A

A Chartered Accountant with over 20 years' experience in the provision of corporate advisory services both within Australia and internationally



Michael Edwards
Non-Executive Director

A Geologist and Economist with over 20 years of senior management experience in both the private and public sector

Currently Non-Executive Director of Norwood Systems Ltd (ASX:NOR) and as Non-Executive Chairman of International Goldfields (ASX:IGS)

CORPORATE SNAPSHOT



Market Data

ASX Code	DEM
Ordinary Shares	219.6m
Market capitalisation	\$52.7m
Cash plus term deposits (30 September 2021)	\$8.7m
Last price (26 November 2021)	\$0.24
52 week high	\$0.35
52 week low	\$0.23

Major Shareholders

NA Singapore Early Stage Venture Fund	20%
Perennial Value Management	14%
New Asia Investments	5%
Pathfinder Asset Management	4%
Management	2%

Share Price Performance since 1 July 2019



DEM Relative to ASX Small Industries





Comprehensive industrial water and wastewater treatment solutions backed by a portfolio of world class membrane technology



Significant install base with foothold into blue-chip, multinational industrial customers



Build-Own-Operate model driving recurring revenue opportunity



Bolt-on acquisitions at favourable valuations creating new synergies and revenue opportunities



ESG investment and regulatory trends driving adoption of wastewater solutions



Footprint in Asia-Pacific and EU with significant pent-up demand and potential for global rollout



2. THE DE.MEM BUSINESS & OPPORTUNITY

demem

Vision

To become the worldwide market leader in de-centralized water and waste water treatment



Mission

Achieve this objective based on the strong commitment of our employees and a portfolio of disruptive technologies and product innovations, which can address the diverse and urgent needs of our customers in our target segments

Growing market demand for decentralised water and waste water solutions for customers



Water security and sustainability



Water availability in remote projects



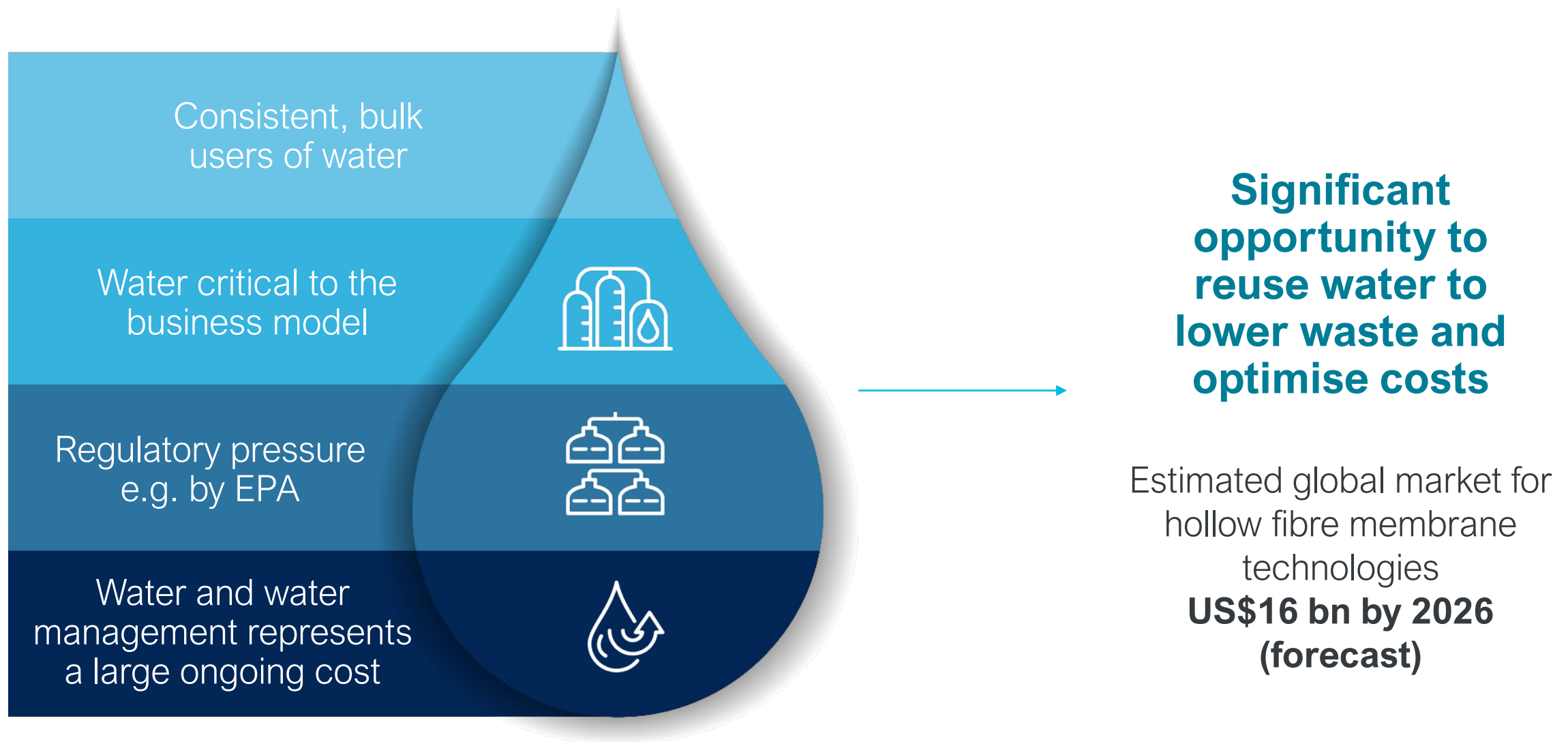
ESG investor demands in Europe and increasingly worldwide



Regulatory tailwinds forcing greater focus on water

Driving increased global demand for water and waste water solutions

KEY PERSISTENT ISSUES OF INDUSTRIAL CUSTOMERS



KEY INDUSTRIAL SEGMENTS TARGETED



- Potable/sewage treatment for mining camps
- Waste water
- Supply of water for mine operations



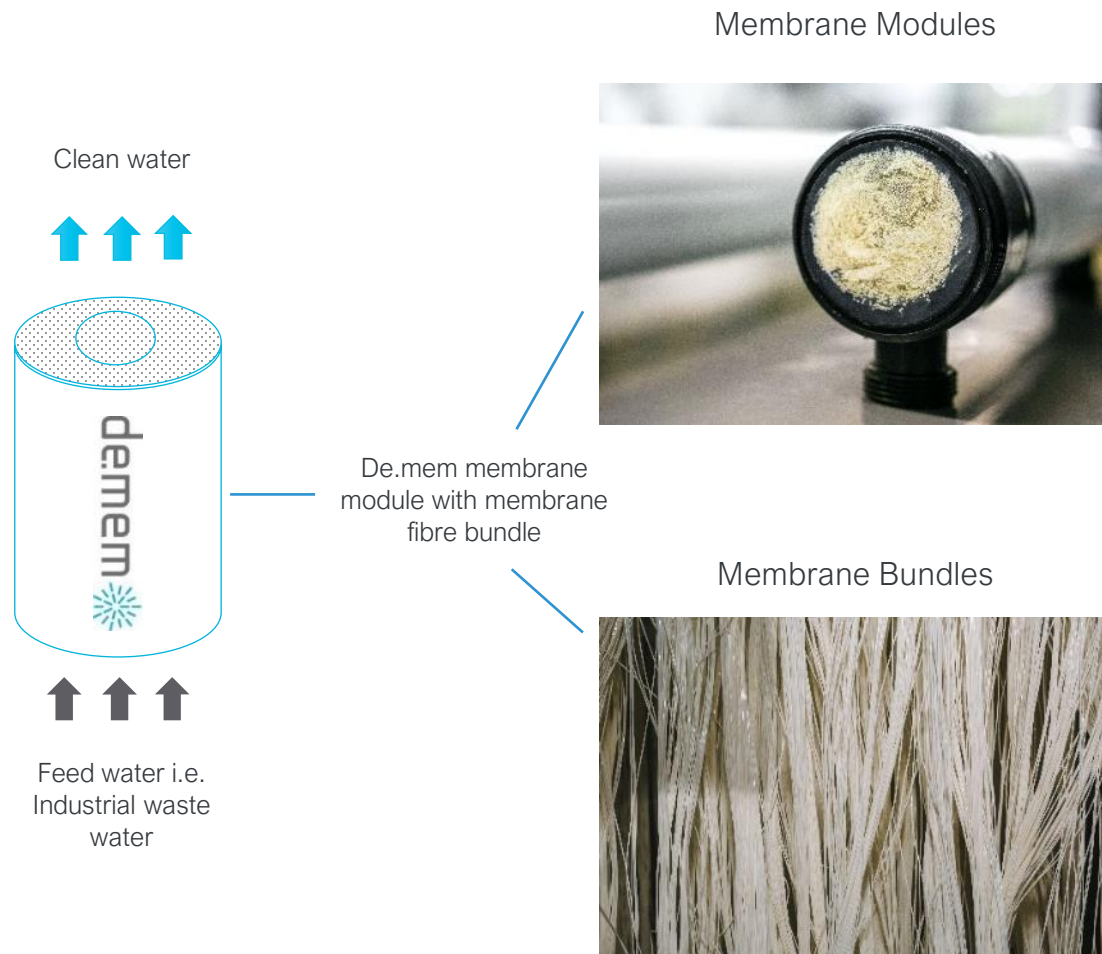
- Potable
- Sewage treatment
- Water treatment for industrial facilities



- Waste water
- Process water
- Recycling



- Industrial waste water
- Process water
- Recycling



- Only water molecules smaller than the pores pass through the membrane “barrier” of hollow fibre membranes
- De.mem’s proprietary hollow-fibre membrane portfolio targets “high value add” applications, validated and in the market, including:
 - Potable water generation
 - Industrial waste-water treatment
 - Recycling/reuse
 - Industrial processes such as milk or beverage production

LIMITATIONS OF EXISTING COMPETITORS

Solutions

De.mem operates in a fragmented market dominated by small, family owned players that are:

Focusing on certain niches, i.e. technologies, applications, target sectors

Limited in technical capabilities

Limited in financing capabilities

De.mem offers...

Broadly applicable solutions

Advanced technology, engineered solutions, operations & maintenance know how

Chemicals/ membranes/ consumables for the ongoing operations

A unique BOO model backed by the company's strong balance sheet

Technology

De.mem operates in a fragmented market with a wide range of existing technologies:

Established technologies (i.e. biological, chemical) being inefficient, difficult to operate, requiring large footprint

New technologies in particular membrane technology emerging over recent years

A portfolio of advanced membrane technology for a wide range of applications

Providing clear advantages over established tech – i.e. high efficiency, superior removal of contaminants, ease of operations, minimum footprint

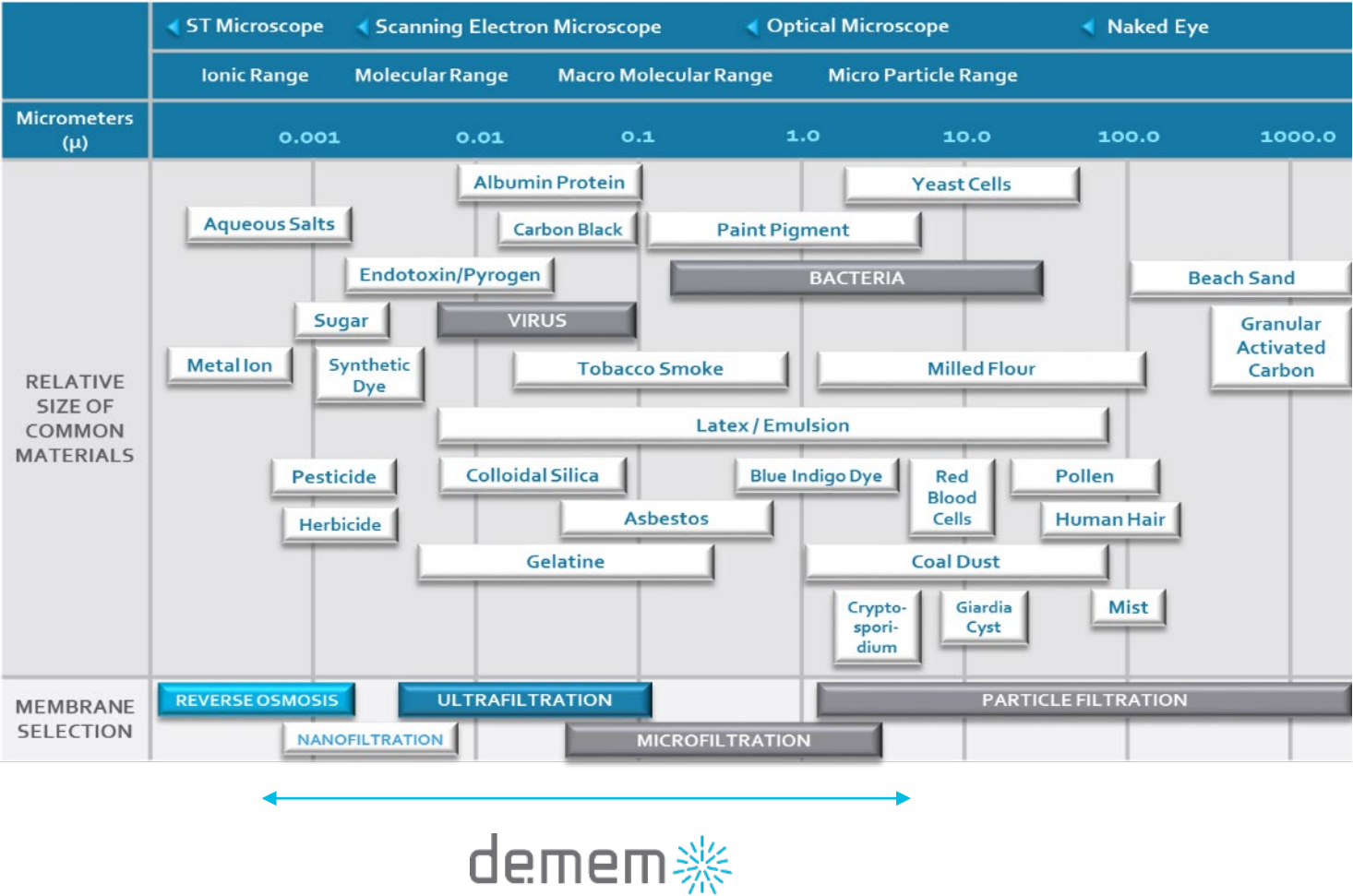
“Next gen” membrane technology portfolio with superior characteristics over existing membrane tech

BROAD APPLICATION RANGE



De.mem technology comes with various pore sizes

Removes tiny contaminants including dyes, pesticides/herbicides, microplastics, solids, viruses, bacteria etc. in a simple process



END-TO-END BUSINESS MODEL

Consulting

Solutions Delivery

Operations & Maintenance (consumables)

Containerized Membrane Systems



Membrane Modules



Membranes



Water Treatment
Chemicals



Pumps & Hydraulics



Chemical Dosing
Equipment

Multi-year service contract
(Build-Own-Operate)...

...or upfront revenue
(Build-Own-Transfer)

BUILD, OWN, OPERATE EXAMPLE DEPLOYMENTS



De.mem currently has 15 BOO and service contracts under operations

Factory of multinational in Singapore

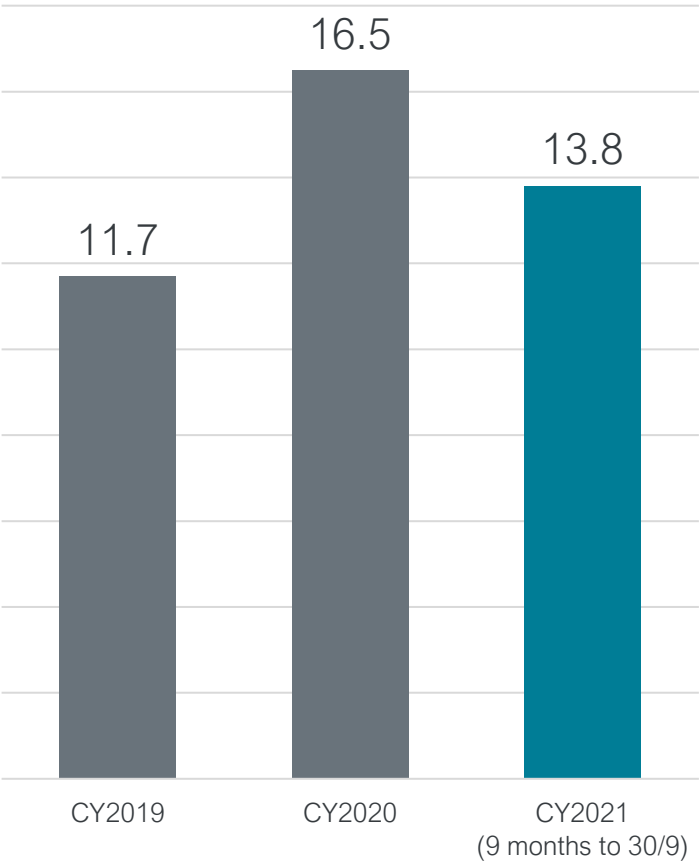


Leading industrial company in Australia

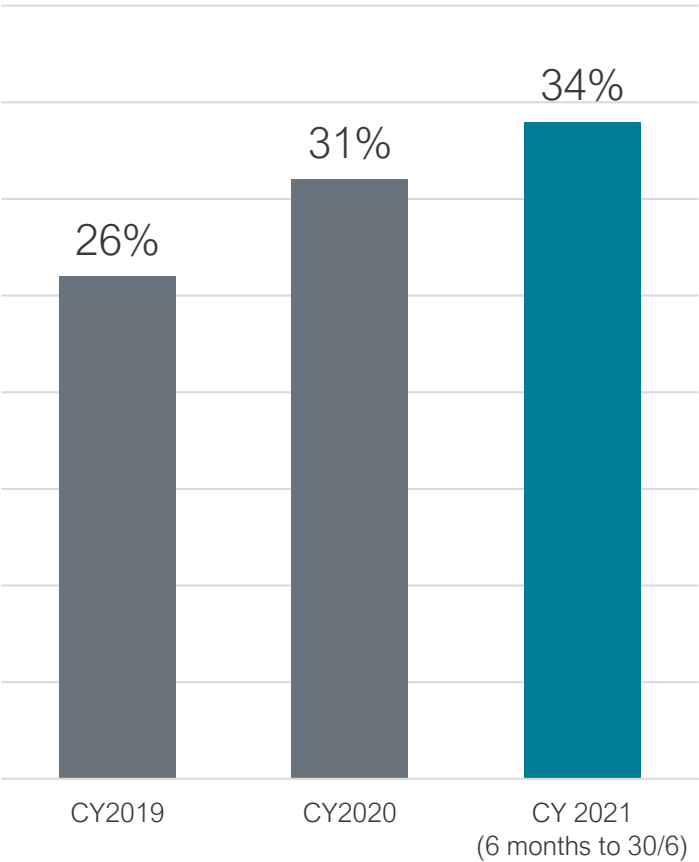


- Containerized industrial waste water treatment plant
- Build, Own, Operate contract
- Deploying De.mem hollow fibre membranes as key treatment step
- Treats the waste water from the client's facility to regulatory discharge standards

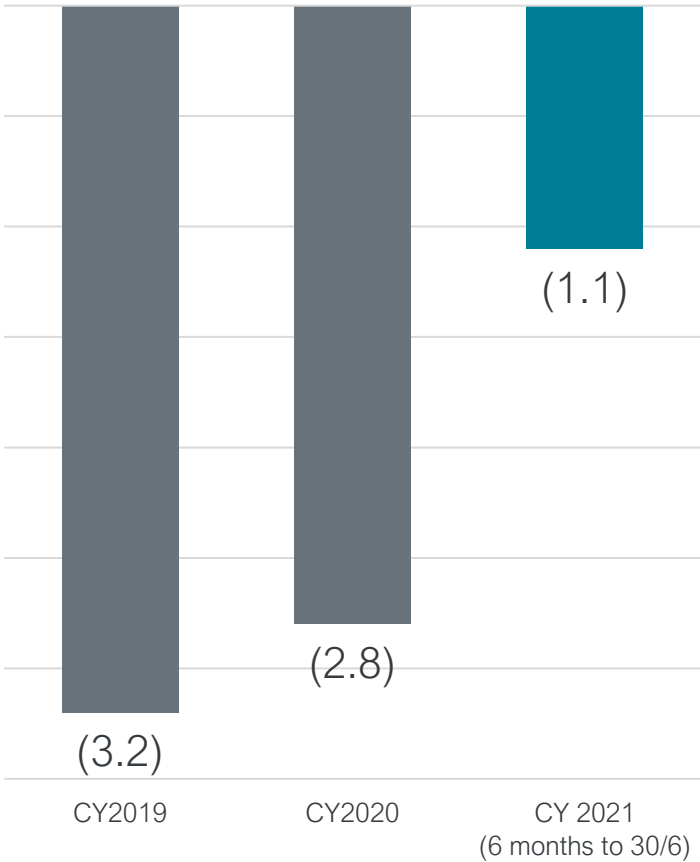
Cash receipts (A\$m)



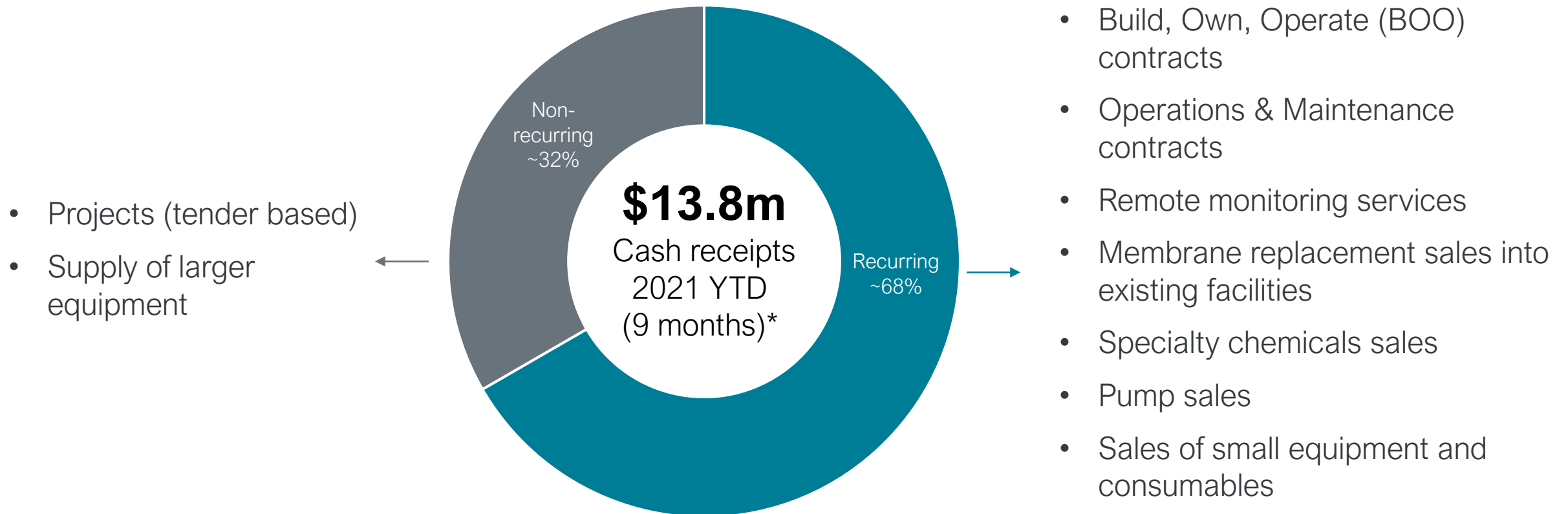
Gross margins



EBITDA (A\$m)



Primary objective is to expand recurring revenue segments



*September 2021 Quarterly Activities Report, released 27 October 2021



3. GROWTH STRATEGY



DE.MEM POSITIONED FOR STRONG GROWTH



Compelling one stop shop product and services range to industrial customers completed



Australian wide service & support capability completed



Qualified and validated with numerous multi-site clients in key growth segments



Key proprietary membrane technologies validated



BOO model as unique service offer to industrial customers validated



Current manufacturing capability supporting \$30m in revenues with low capex scalability

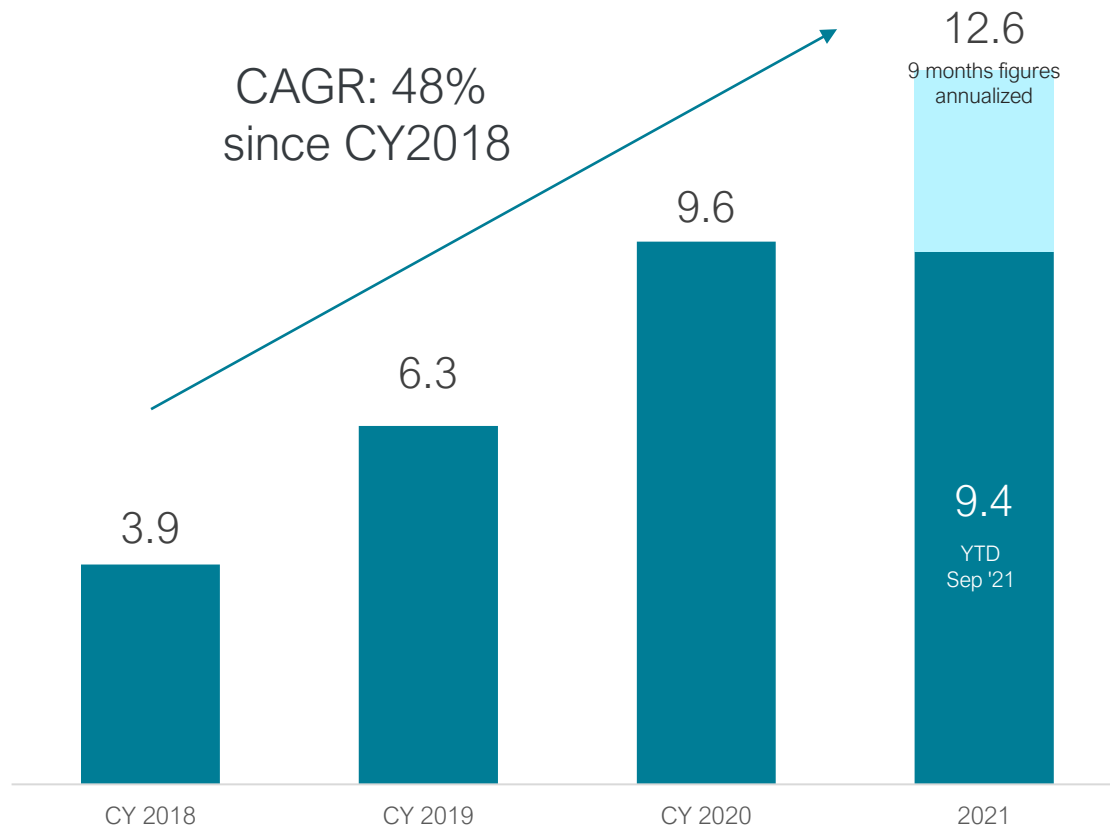


	Ongoing top line growth	<ul style="list-style-type: none">• Focus on recurring revenue segments• Strong pipeline with new contracts• Grow with existing multi-site/multi-national client base from site to site
	Product and technology	<ul style="list-style-type: none">• Clear roll out plan for proven membrane technology• “Next-gen” graphene membrane technology currently in pilot projects• Further enhancement of intellectual property and product portfolio
	Acquisition value-add	<ul style="list-style-type: none">• Proven ability to add value to bolt-on acquisitions, with all three acquisitions since 2019 achieving substantial revenue growth• Proven ability to “cross-sell” innovative membrane technology into existing sales channels
	Geographic expansion	<ul style="list-style-type: none">• Australia-wide networks of workshops and support offices• Focus on international expansion in particular through established hubs in Singapore (SE Asia), Germany (Europe)

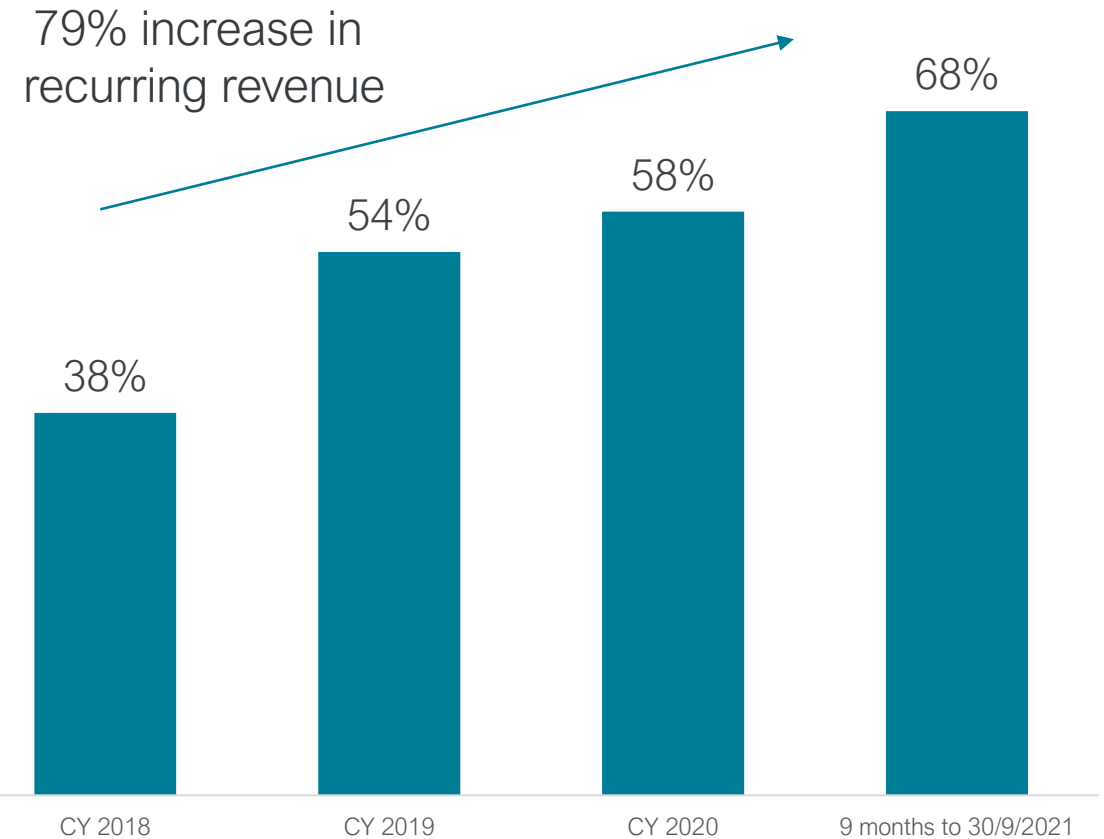
TOP LINE, RECURRING REVENUE GROWTH



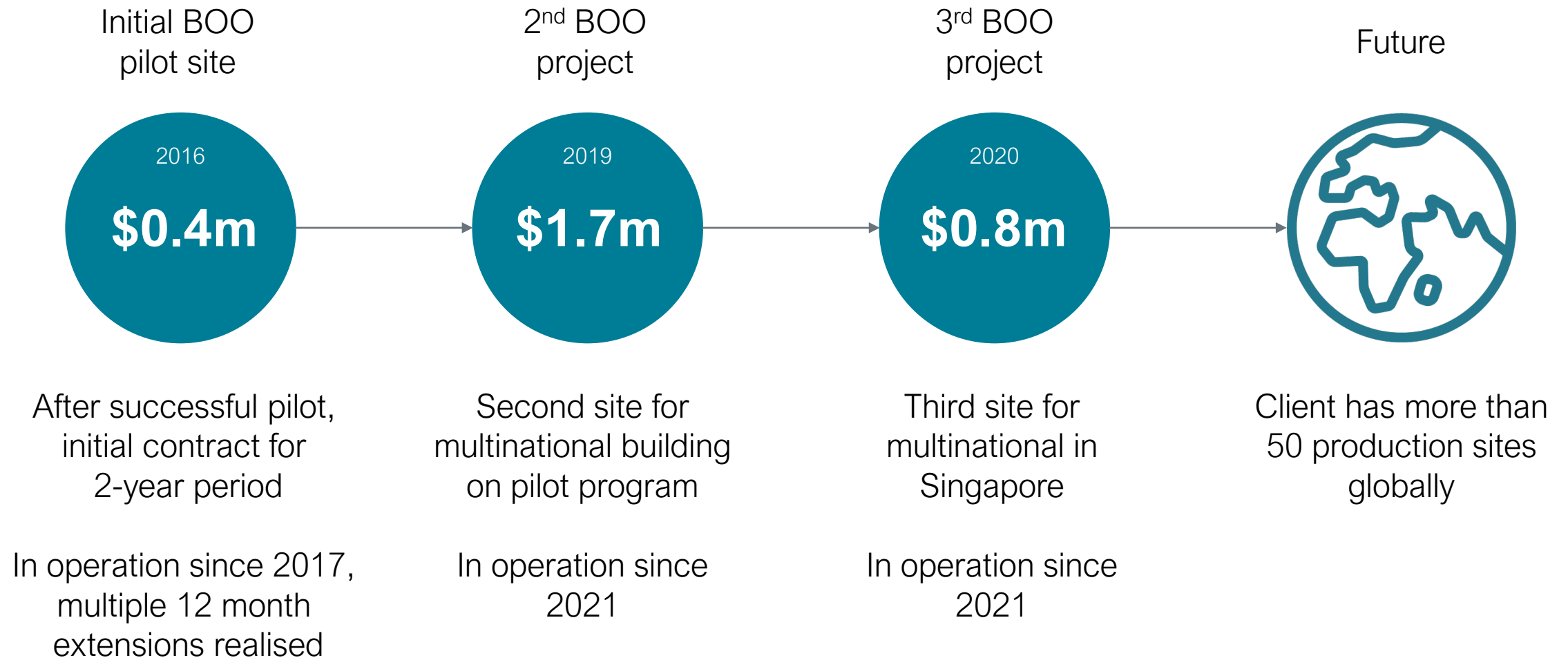
Recurring revenue (A\$m)



Recurring revenue as a % of total cash receipts



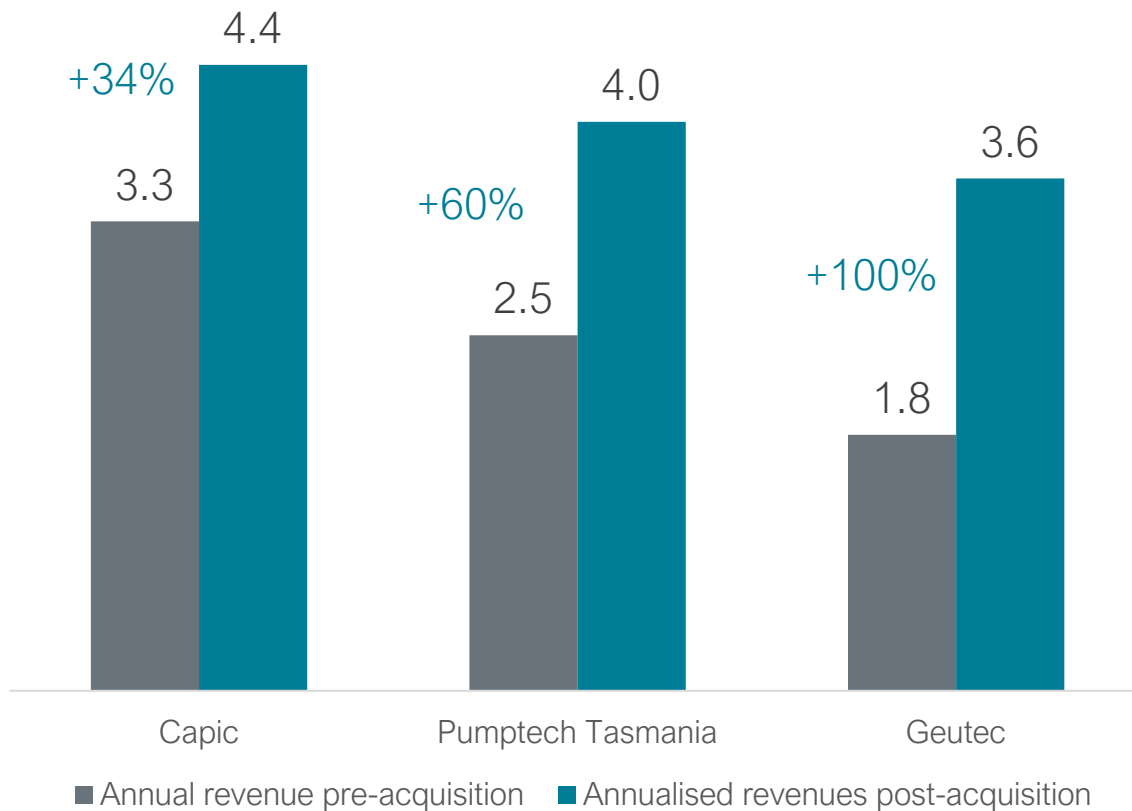
GROWING WITH MULTINATIONAL CLIENTS



- New range of “Next Generation” membranes are infused with Graphene Oxide (GO) nanoparticles
- Increased water flux (throughput) over standard polymer membrane by 20-40% - reducing operating cost
- Produced at the Company’s existing facility in Singapore using existing manufacturing equipment
- Industrial scale pilot projects in Singapore in progress



Revenue performance of acquisitions



- Three acquisitions since 2019
- Outstanding acquisition track record with each achieving significant growth through cross-selling
- All three companies earn stable, recurring revenues
- Bolt-on acquisitions as an option to further accelerate top line growth

Focus on international expansion in particular through established hubs in Singapore (SE Asia), Germany (Europe)



Significant pent-up demand for water and waste water solutions

ESG requirements from EU companies in particular driving adoption and change



Comprehensive industrial water and wastewater treatment solutions backed by a portfolio of world class membrane technology



Significant install base with foothold into blue-chip, multinational industrial customers



Build-Own-Operate model driving recurring revenue opportunity



Bolt-on acquisitions at favourable valuations creating new synergies and revenue opportunities



ESG investment and regulatory trends driving adoption of wastewater solutions



Footprint in Asia-Pacific and EU with significant pent-up demand and potential for global rollout

IMPORTANT NOTICE & DISCLAIMER



This presentation has been prepared by De.mem Limited and its related entities (the “Company”). It does not purport to contain all the information that a prospective investor may require in connection with any potential investment in the Company. You should not treat the contents of this presentation, or any information provided in connection with it, as financial advice, financial product advice or advice relating to legal, taxation or investment matters.

No representation or warranty (whether express or implied) is made by the Company or any of its officers, advisers, agents or employees as to the accuracy, completeness or reasonableness of the information, statements, opinions or matters (express or implied) arising out of, contained in or derived from this presentation or provided in connection with it, or any omission from this presentation, nor as to the attainability of any estimates, forecasts or projections set out in this presentation. This presentation is provided expressly on the basis that you will carry out your own independent inquiries into the matters contained in the presentation and make your own independent decisions about the affairs, financial position or prospects of the Company. The Company reserves the right to update, amend or supplement the information at any time in its absolute discretion (without incurring any obligation to do so). Neither the Company, nor its related bodies corporate, officers, their advisers, agents and employees accept any responsibility or liability to you or to any other person or entity arising out of this presentation including pursuant to the general law (whether for negligence, under statute or otherwise), or under the Australian Securities and Investments Commission Act 2001, Corporations Act 2001, Competition and Consumer Act 2010 or any corresponding provision of any Australian state or territory legislation (or the law of any similar legislation in any other jurisdiction), or similar provision under any applicable law. Any such responsibility or liability is, to the maximum extent permitted by law, expressly disclaimed and excluded. Nothing in this material should be construed as either an offer to sell or a solicitation of an offer to buy or sell securities. It does not include all available information and should not be used in isolation as a basis to invest in the Company.

Future Matters

This presentation contains reference to certain intentions, expectations, future plans, strategy, revenue forecasts and prospects of the Company. Those intentions, expectations, future plans, strategy, revenue forecasts and prospects may or may not be achieved and may be forward looking statements. They are based on certain assumptions, which may not be met or on which views may differ and may be affected by known and unknown risks. The performance and operations of the Company may be influenced by a number of factors, many of which are outside the control of the Company. No representation or warranty, express or implied, is made by the Company, or any of its directors, officers, employees, advisers or agents that any intentions, expectations or plans will be achieved either totally or partially or that any particular rate of return will be achieved. Given the risks and uncertainties that may cause the Company’s actual future results, performance or achievements to be materially different from those expected, planned or intended, recipients should not place undue reliance on these intentions, expectations, future plans, strategy, revenue forecasts and prospects. The Company does not warrant or represent that the actual results, performance or achievements will be as expected, planned or intended.

US Disclosure

This document does not constitute any part of any offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of any “US person” as defined in Regulation S under the US Securities Act of 1993 (“Securities Act”). The Company’s shares have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States or to any US person without being so registered or pursuant to an exemption from registration including an exemption for qualified institutional buyers.

All figures included in this presentation are in AUD\$ unless otherwise stated. Assumed exchange rate of AUD\$1:USD\$0.75



Investor Enquiries

Andreas Kroell
Chief Executive Officer
De.mem Limited

investor@demem.com.sg
www.demembranes.com