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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
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De.mem Limited
investor@dememb.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.dememb.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

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de.mem

1. INTRODUCTION TO DE.MEM



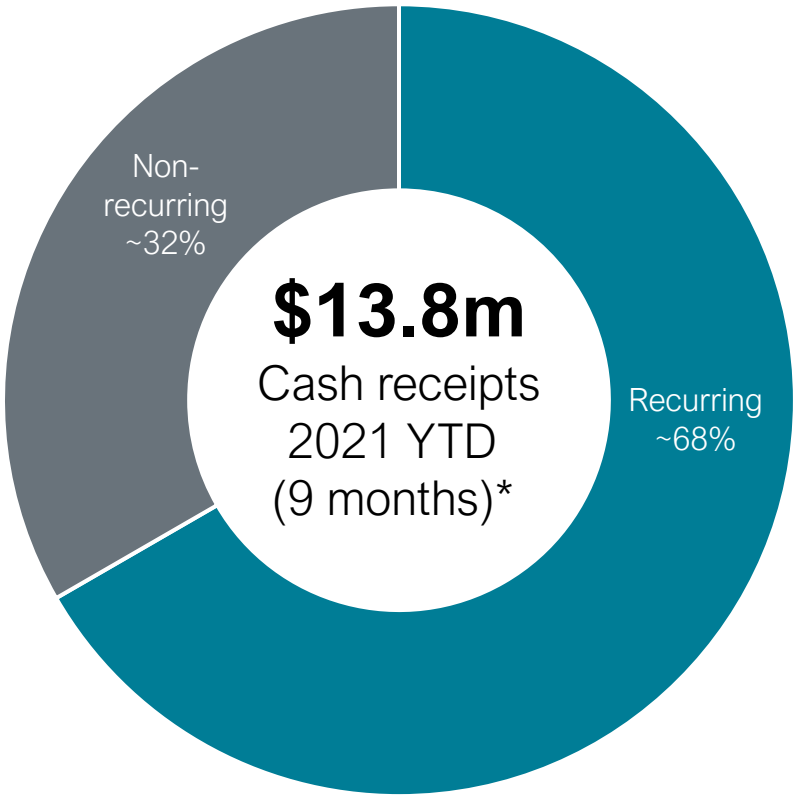
DE.MEM SNAPSHOT

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

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BLUE CHIP INDUSTRIAL CUSTOMER BASE



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EXPERIENCED LEADERSHIP



Cosimo Trimigliozzi
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)

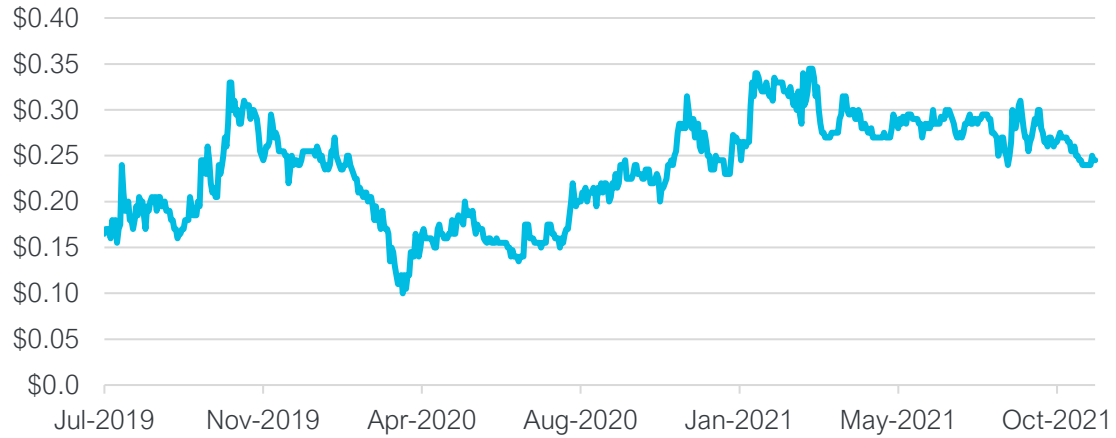
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CORPORATE SNAPSHOT

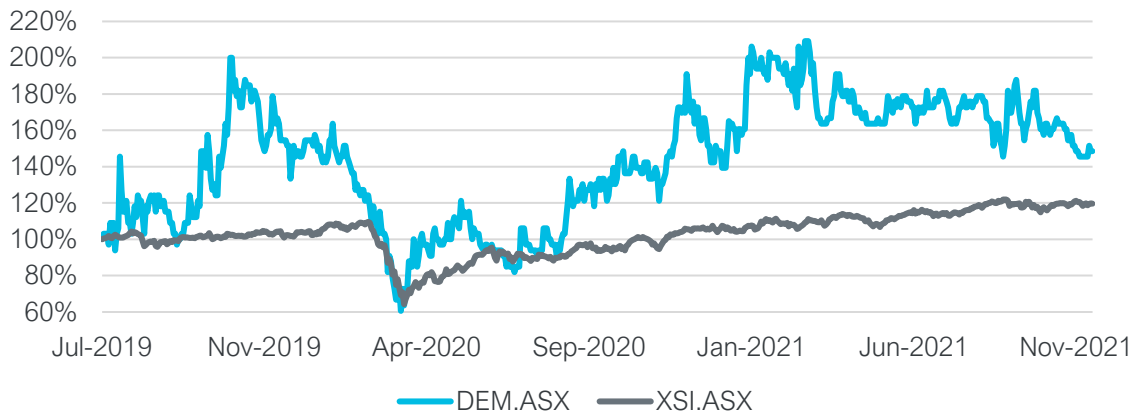
Market Data	
ASX Code	DEM
Ordinary Shares	219.6m
Market capitalisation	$52.7m
Cash plus term deposits (30 September 2021)	$8.7m
Last price (26 November 2021)	$0.24
52 week high	$0.35
52 week low	$0.23

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



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INVESTMENT HIGHLIGHTS



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

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2. THE DE.MEM BUSINESS & OPPORTUNITY

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VISION AND MISSION

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

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KEY TRENDS DRIVING ADOPTION

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



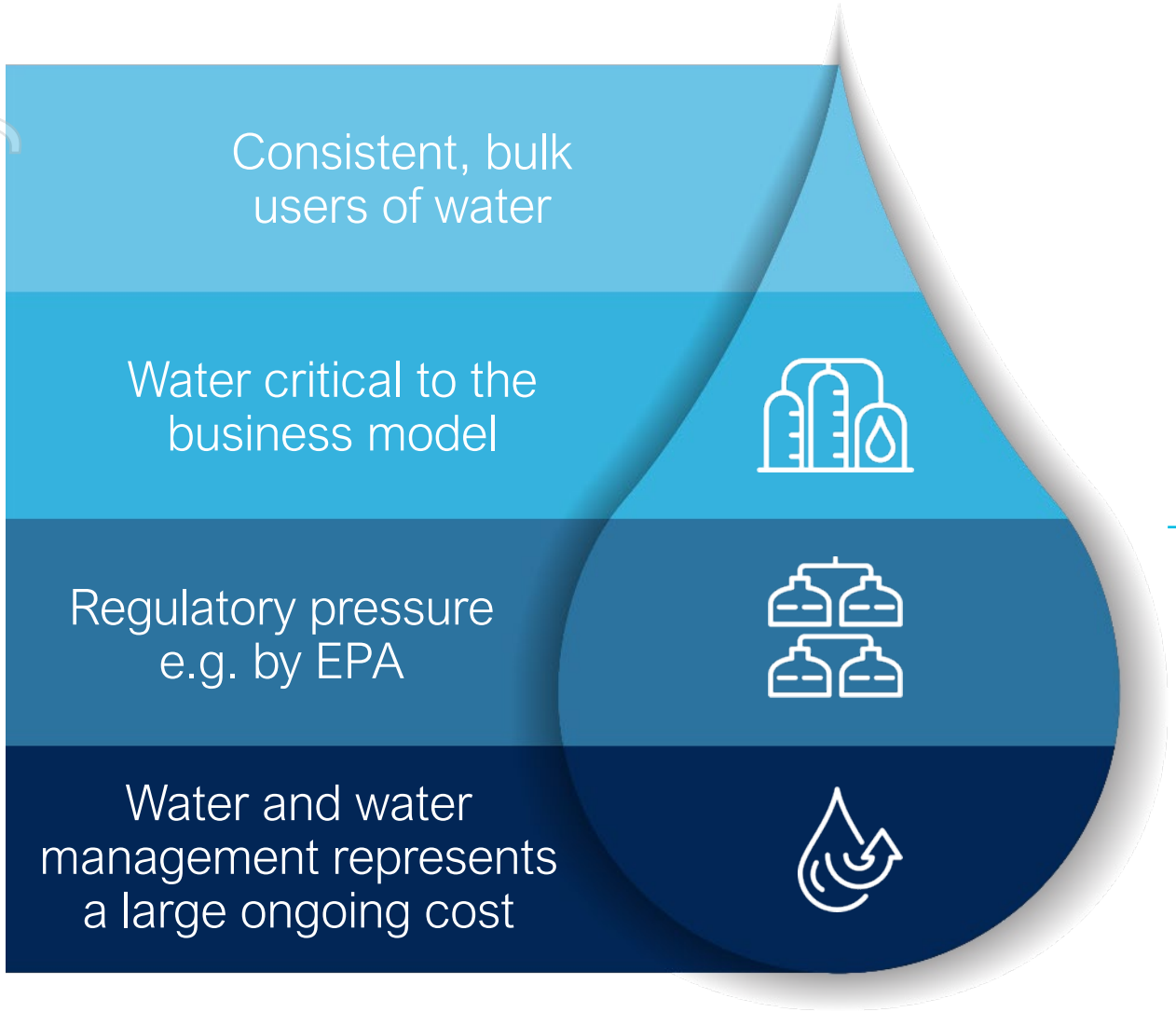
Regulatory tailwinds forcing greater focus on water

Driving increased global demand for water and waste water solutions

Source: Bloomberg NEF, 2020

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KEY PERSISTENT ISSUES OF INDUSTRIAL CUSTOMERS



Significant opportunity to reuse water to lower waste and optimise costs

Estimated global market for hollow fibre membrane technologies
US$16 bn by 2026 (forecast)

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KEY INDUSTRIAL SEGMENTS TARGETED



Mining

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



Municipal / infrastructure

- Potable
- Sewage treatment
- Water treatment for industrial facilities



Food & beverage

- Waste water
- Process water
- Recycling

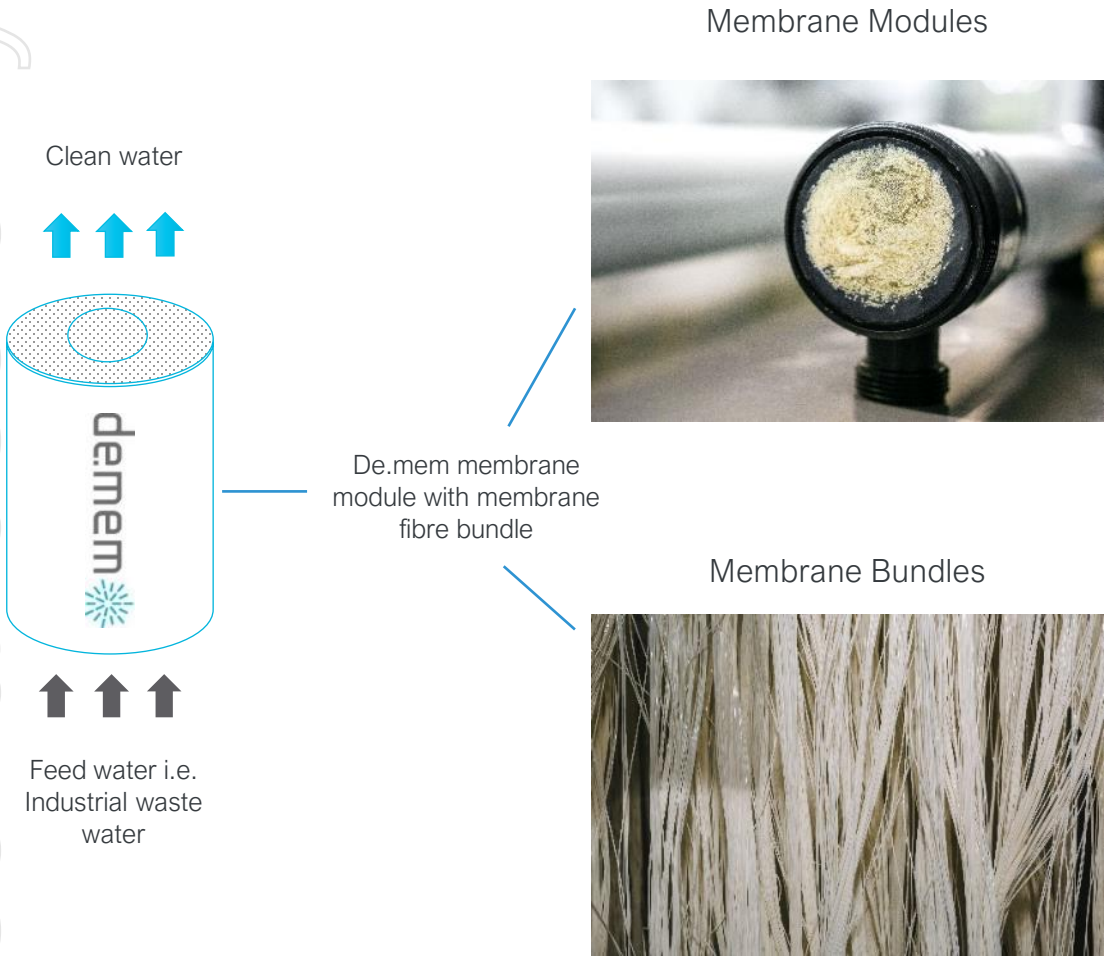


General industrial

- Industrial waste water
- Process water
- Recycling

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KEY TECHNOLOGY: HOLLOW FIBRE MEMBRANE



- 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

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LIMITATIONS OF EXISTING COMPETITORS

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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

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

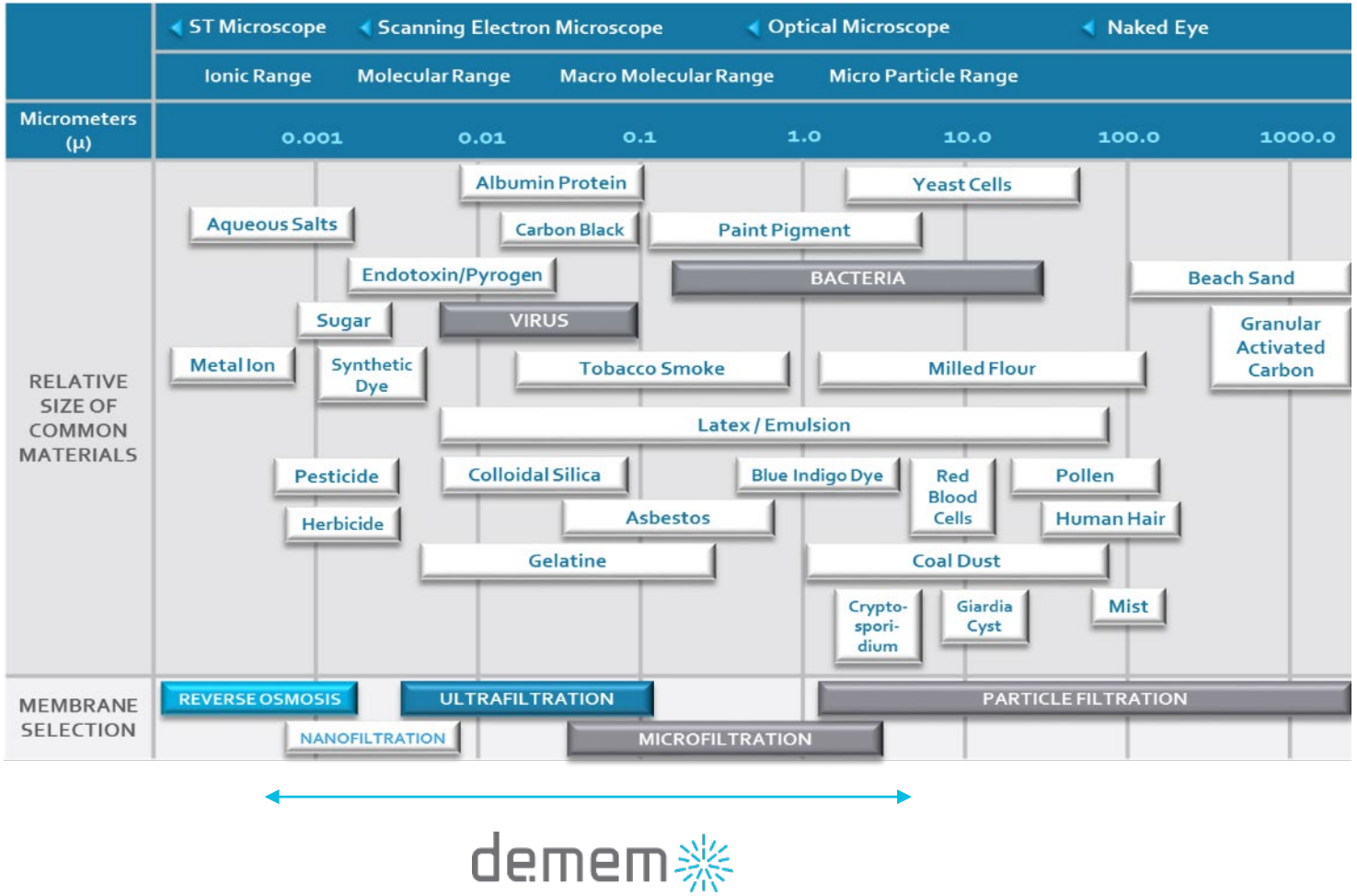
De.mem offers…

- 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
- 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



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END-TO-END BUSINESS MODEL

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Consulting → **Solutions Delivery** → **Operations & Maintenance (consumables)**

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

…or upfront revenue (Build-Own-Transfer)

Containerized Membrane Systems



Membrane Modules





Membranes



Water Treatment Chemicals



Pumps & Hydraulics



Chemical Dosing Equipment

BUILD, OWN, OPERATE EXAMPLE DEPLOYMENTS

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



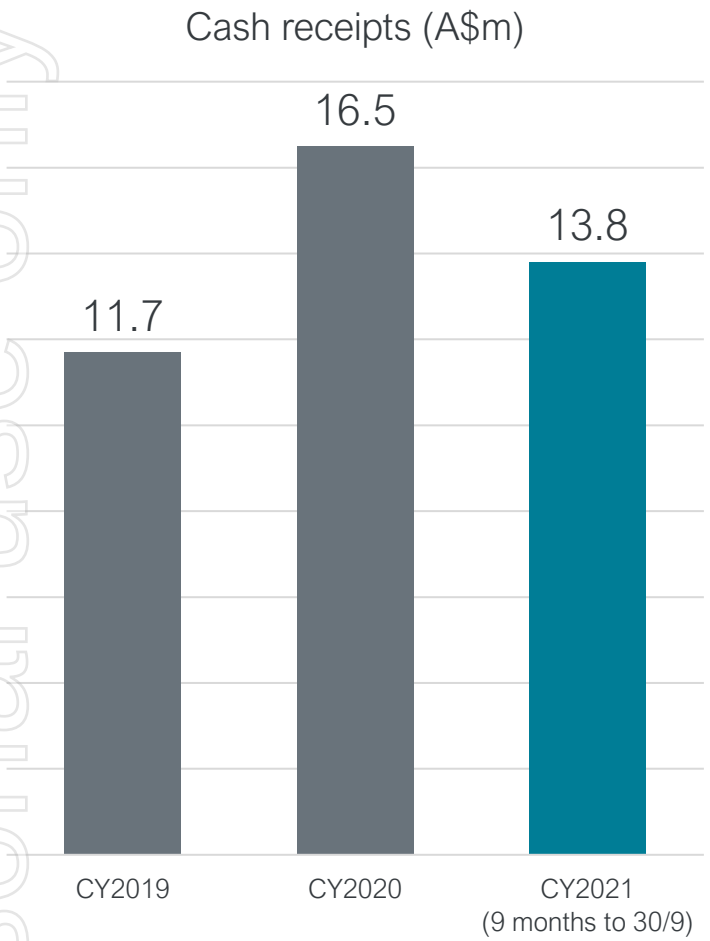


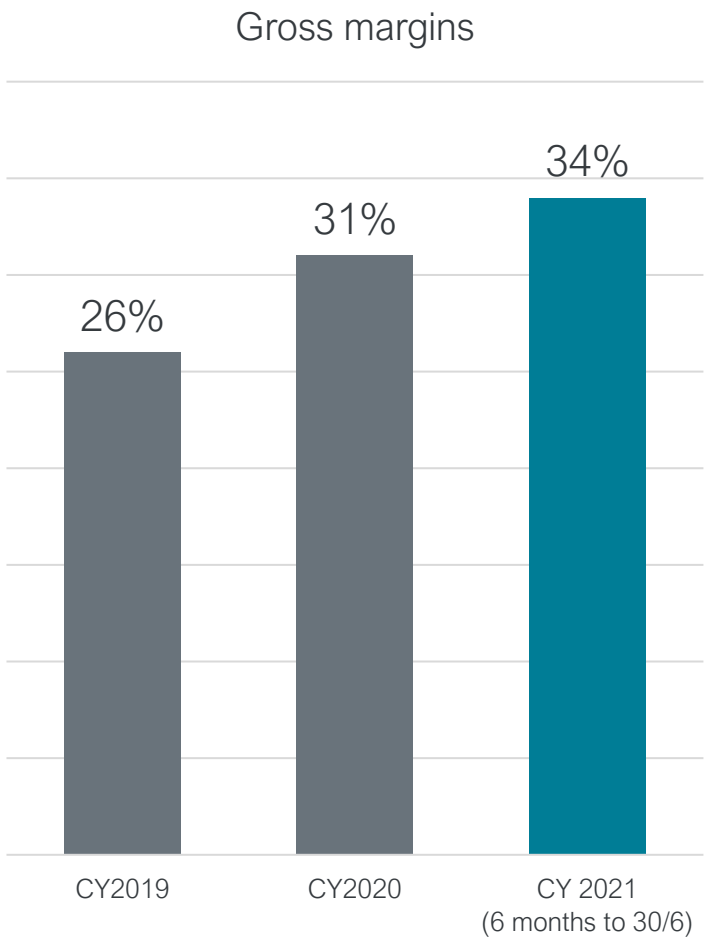


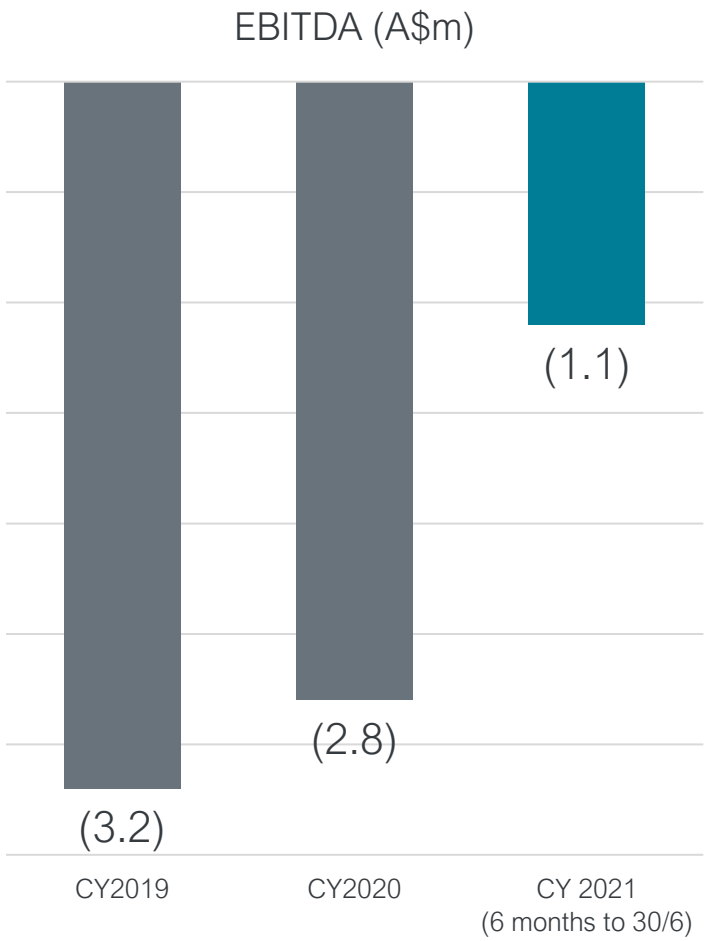
- Containerized industrial waste water treatment plant
- Build, Own, Operate contract
- Deploying De.mem hollow fibre membranes as key treatment step
- Treats the waste water from the client's facility to regulatory discharge standards

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FINANCIAL PERFORMANCE





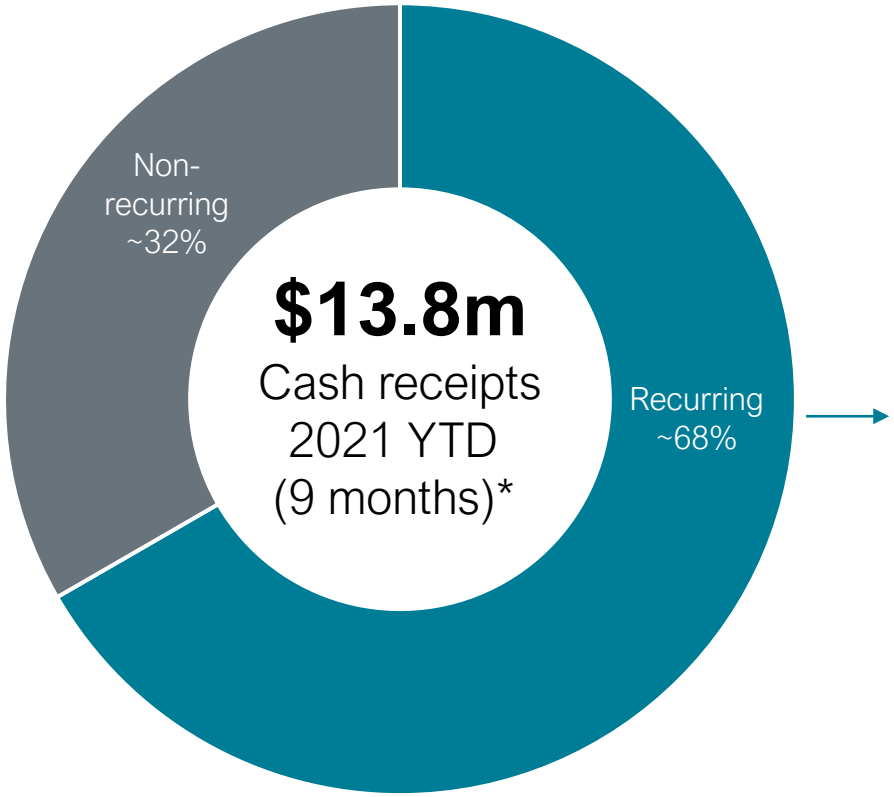


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STRONG REVENUE MIX

Primary objective is to expand recurring revenue segments

- Projects (tender based)
- Supply of larger equipment



- Build, Own, Operate (BOO) contracts
- Operations & Maintenance contracts
- Remote monitoring services
- Membrane replacement sales into existing facilities
- Specialty chemicals sales
- Pump sales
- Sales of small equipment and consumables

*September 2021 Quarterly Activities Report, released 27 October 2021

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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

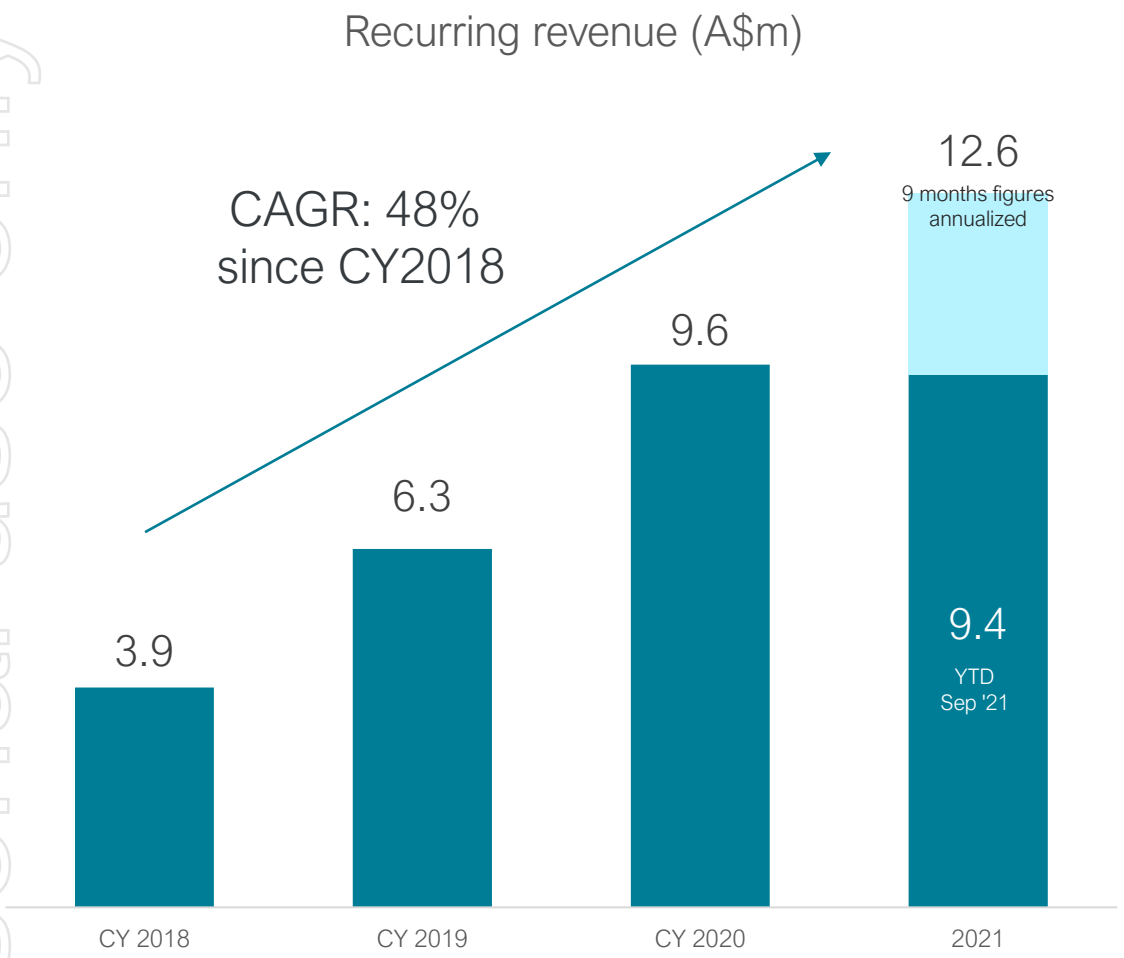
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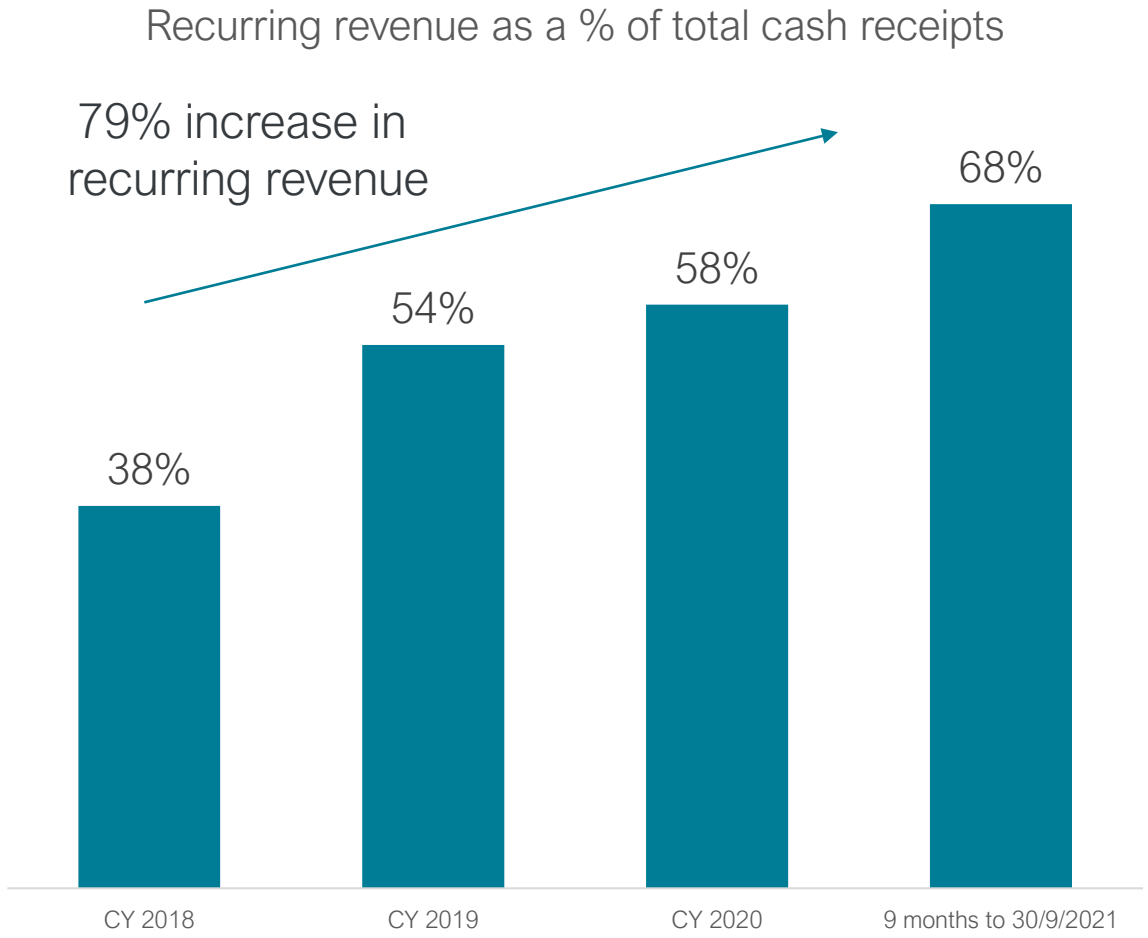
GROWTH PLAN

Ongoing top line growth	• 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	• 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	• 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	• Australia-wide networks of workshops and support offices • Focus on international expansion in particular through established hubs in Singapore (SE Asia), Germany (Europe)

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TOP LINE, RECURRING REVENUE GROWTH





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GROWING WITH MULTINATIONAL CLIENTS

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Initial BOO pilot site

2016

$0.4m

After successful pilot, initial contract for 2-year period

In operation since 2017, multiple 12 month extensions realised

2nd BOO project

2019

$1.7m

Second site for multinational building on pilot program

In operation since 2021

3rd BOO project

2020

$0.8m

Third site for multinational in Singapore

In operation since 2021

Future



Client has more than 50 production sites globally

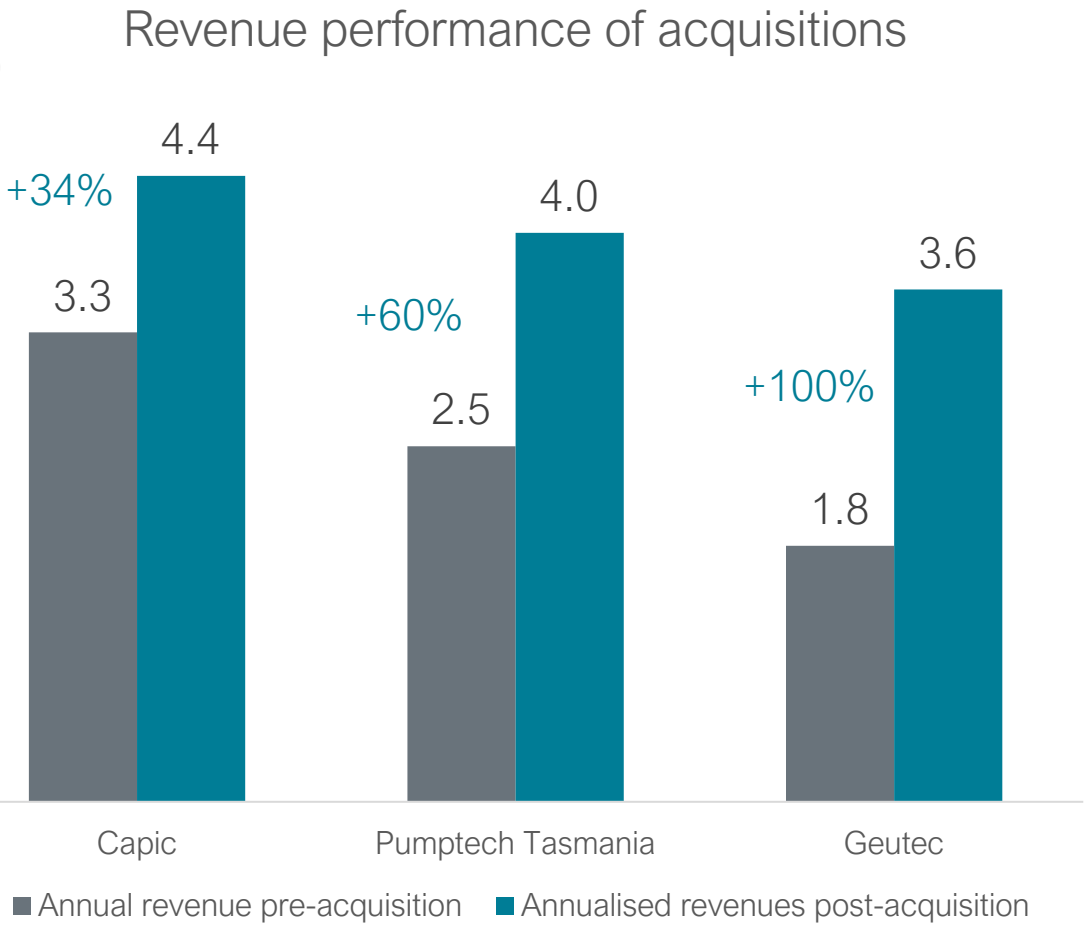
NEXT GENERATION GRAPHENE TECHNOLOGY

- 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



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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

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GEOGRAPHIC EXPANSION

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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

INVESTMENT HIGHLIGHTS

- 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

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

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