

AKER CARBON  
CAPTURE

# Q1 2024

25 April 2024

**Egil Fagerland, Chief Executive Officer**

**Julie Berg, Chief Financial Officer**

**David Phillips, Head of Capital Markets**

# Agenda

Introduction and first-quarter highlights

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Financials

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Q&A

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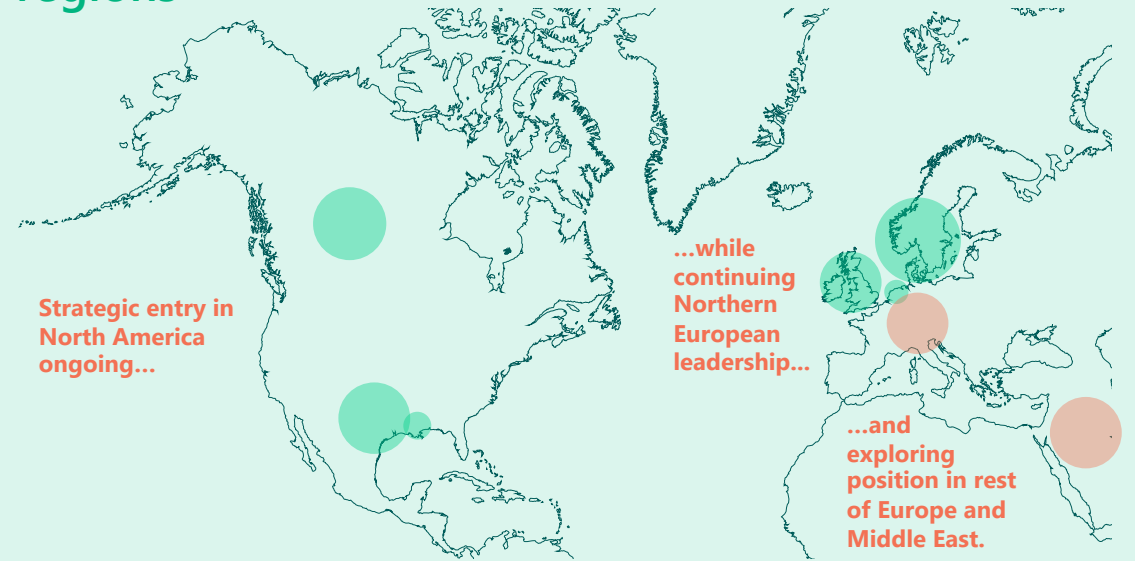
# Aker Carbon Capture in brief

**Pure play carbon capture** company offering modular and configurable capture units

**Health, Safety and Environmentally** friendly and proprietary patented technology for optimized all-round plant performance

**Proven** market-leading proprietary technology with over 60,000 operating hours and seven carbon capture units being delivered

## Key regions



## Prioritized industries



CEMENT



BIO/WASTE-TO-ENERGY



GAS-TO-POWER



BLUE HYDROGEN

...and engagement with new industry segments like refining, process industries as well as pulp and paper



# Highlights

## Strategic development

- Agreement to form Joint Venture with SLB

## Market

- Continued high activity and demand for pre-FEED, FEED and studies
- Working closely with multiple opportunities in the North American market:
  - First US mobile test unit campaign awarded for pulp & paper industry
  - Strategic alliance established with CO280
  - MoU agreement targeting carbon removal signed with CO280 and Microsoft

## Projects

- Twence CCU: hot commissioning ongoing
- Brevik CCS: second heavy lift campaign completed ahead of schedule
- Ørsted CCS: groundwork started on both sites

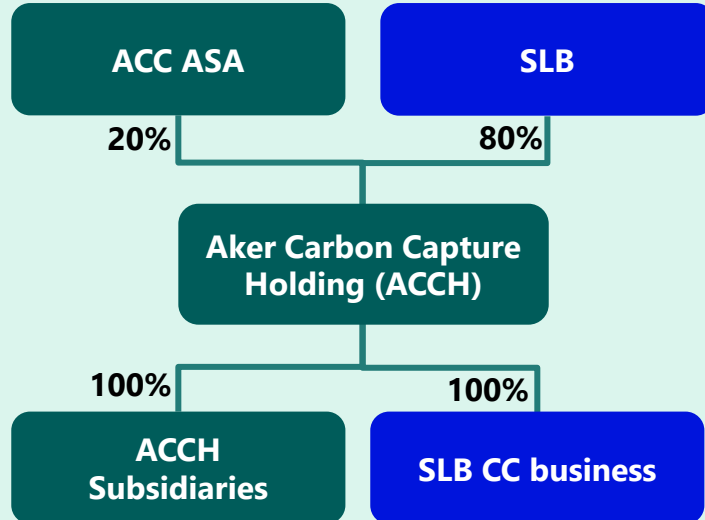
## Financials

- Strong backlog (NOK 2.3 billion), continued revenue growth (an increase of NOK 279 million compared to Q1 2023) and solid cash position (NOK 902 million)

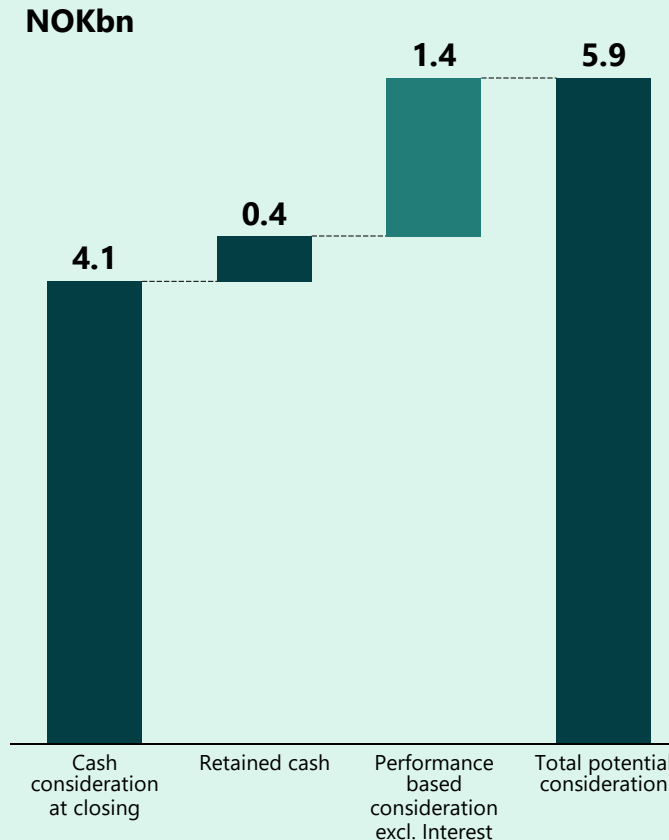
# Forming carbon capture JV with SLB

## 80/20 JV with SLB

- ACC retains 20% ownership in JV
- Accelerating technology development
- Bringing solutions to market faster and more economically



## Up to NOK 5.9<sup>1</sup>bn in consideration for 80% ownership in ACCH and retained cash



## Key deal terms

- SLB carbon capture business will be combined with ACCH
- ACCH will receive balance of cash above NOK 0.4bn from ACC ASA
- SLB will fund the business plan and working capital fluctuations during the lock-up period and the USD 50 million purchase of SLB's carbon capture business
- Three year lock-up period
- Exit mechanics after lock-up:
  - ACC ASA put option for 20% JV share at fair market value (FMV) with a floor at NOK 1bn
  - SLB call option for 20% JV share at FMV and a cap of NOK 2.5bn
- Closing expected during 2Q

# Forming carbon capture JV with SLB



## Reaching Net Zero

- Combining Aker Carbon Capture and SLB's respective carbon capture businesses
- Supporting accelerated industrial decarbonization at scale



## Strong partnership

- Complementary technology portfolios
- Leading process design expertise
- Established project delivery platform



## Technology and Innovation

- Leveraging the Aker Carbon Capture product offering
- SLB's new technology developments and industrialization capability
- A vehicle for accelerating the introduction of early-stage technologies



## Long-term value creation

- The combined business will create a diversified, global carbon capture player
- Positioned to profitably scale faster, to the benefit of customers, employees and shareholders

# Rapid progress in North American market



## Mobile Test Unit campaign

- Enabling the full-scale implementation of multiple Just Catch™ 400 modular capture facilities with permanent storage, and the creation of carbon removal credits



## Strategic alliance with CO280

- Development of large-scale Carbon Dioxide Removal (CDR) projects
- Point source carbon capture plants for pulp and paper mills, ambition to deploy modularized Just Catch™ series



## MoU agreement with CO280 and Microsoft

- Explore opportunities for scaling the full physical and digital value chain of carbon removal in the US and Canada
- Aims to create a scalable model to deploy large-scale projects quickly to meet global net zero targets

# Continued high commercial activity in Europe



## Pre-FEED for Statkraft in Norway

- Just Catch™ FEED for waste-to-energy facility in Heimdal
- Targeted emissions of 220,000 tonnes CO<sub>2</sub> per year



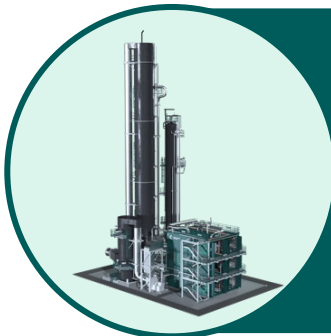
## Study and test campaign for WACKER

- Eight-months test campaign at WACKER's metallurgical-grade silicon production at the Holla plant in Kyrksæterøra, Norway.



## Study for Nordbex in Sweden

- Just Catch™ study for electric power generation facility
- Targeted emissions of 200,000 tonnes CO<sub>2</sub> per year



## Study for waste-to-energy plants in Northern Europe

- Four initial plants based on Just Catch™ units
- Integrating carbon capture at multiple biomass and waste-to-energy facilities





# Operations



Delivery of modular Just Catch™ 100 plant

**December 2021**  
SIGNED CONTRACT

**End 2023**  
PLANT MECHANICAL  
COMPLETE

**Q2 2024**  
COMMISSIONING  
IN FINAL PHASE

## WASTE TO ENERGY TWENCE CCU

### Netherlands

- Capturing 100,000 tonnes CO<sub>2</sub> per year
- First of a kind modular carbon capture project on track
- All equipment and piping installed
- Hot commissioning ongoing
- CO<sub>2</sub> will boost local greenhouse production

# HEIDELBERG MATERIALS SEMENT NORGE BREVIK CCS

## Norway

- 400,000 tonnes CO<sub>2</sub> per year capture and liquefaction plant
- All heavy lift campaigns completed
- Creating local employment and strong partnerships
- CO<sub>2</sub> transport by ship to permanent storage as part of Northern Lights



**2020**  
PROJECT START

**March 2024**  
ALL HEAVY LIFTS COMPLETED

**2024**  
PLANNED  
DELIVERY



Asnæs Power Station

# ØRSTED KALUNDBORG CCS

Denmark

- Design capture capacity of 500,000 tonnes CO<sub>2</sub> per year
- Container fabrication started
- Five Just Catch™ units at wood chip-fired Asnæs Power Station and straw-fired Avedøre Power Station
- First full-scale CCS value chain in Denmark, delivered by Ørsted, Aker Carbon Capture, Microsoft and Northern Lights

**May 2023**  
CONTRACT AWARD

**March 2024**  
GROUNDWORK STARTED ON BOTH SITES

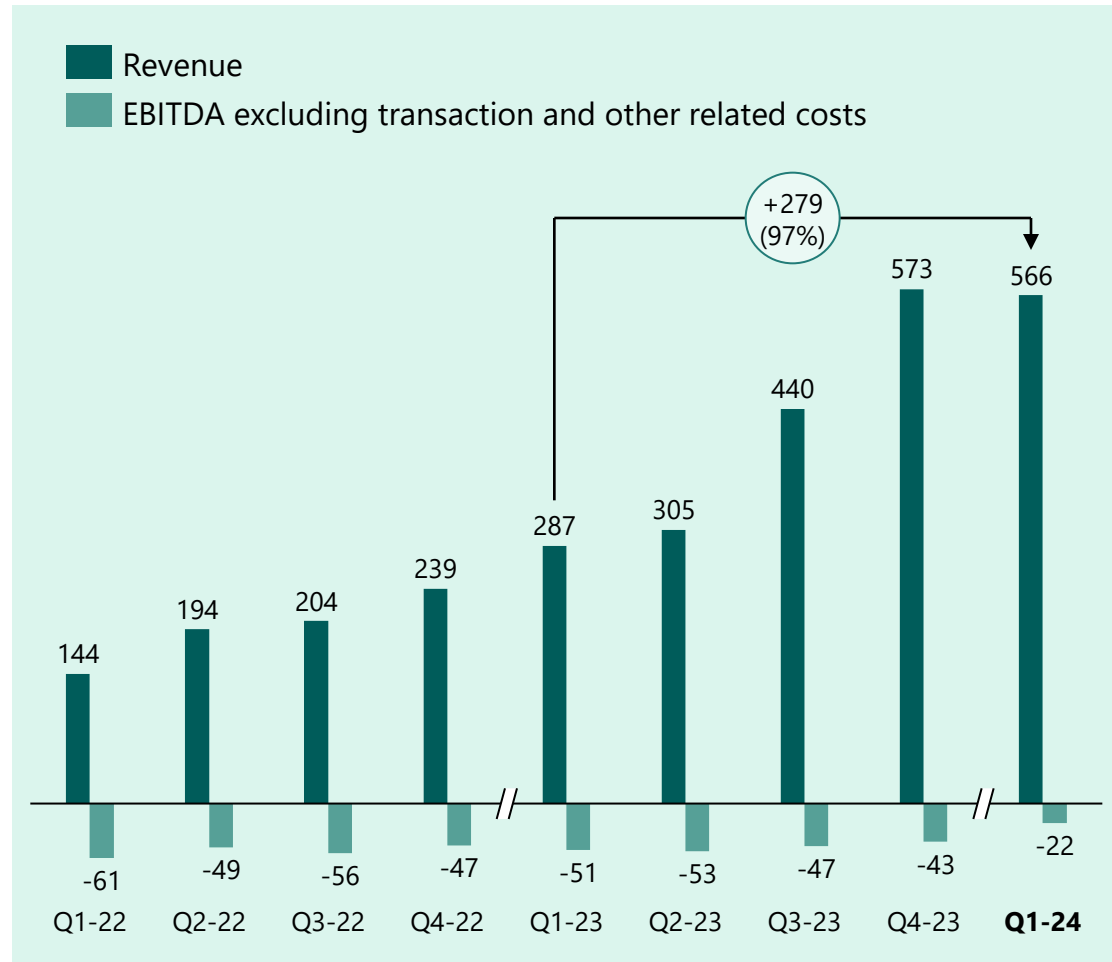
**End 2025**  
PLANNED DELIVERY



# Financials

# First quarter 2024 | Income statement

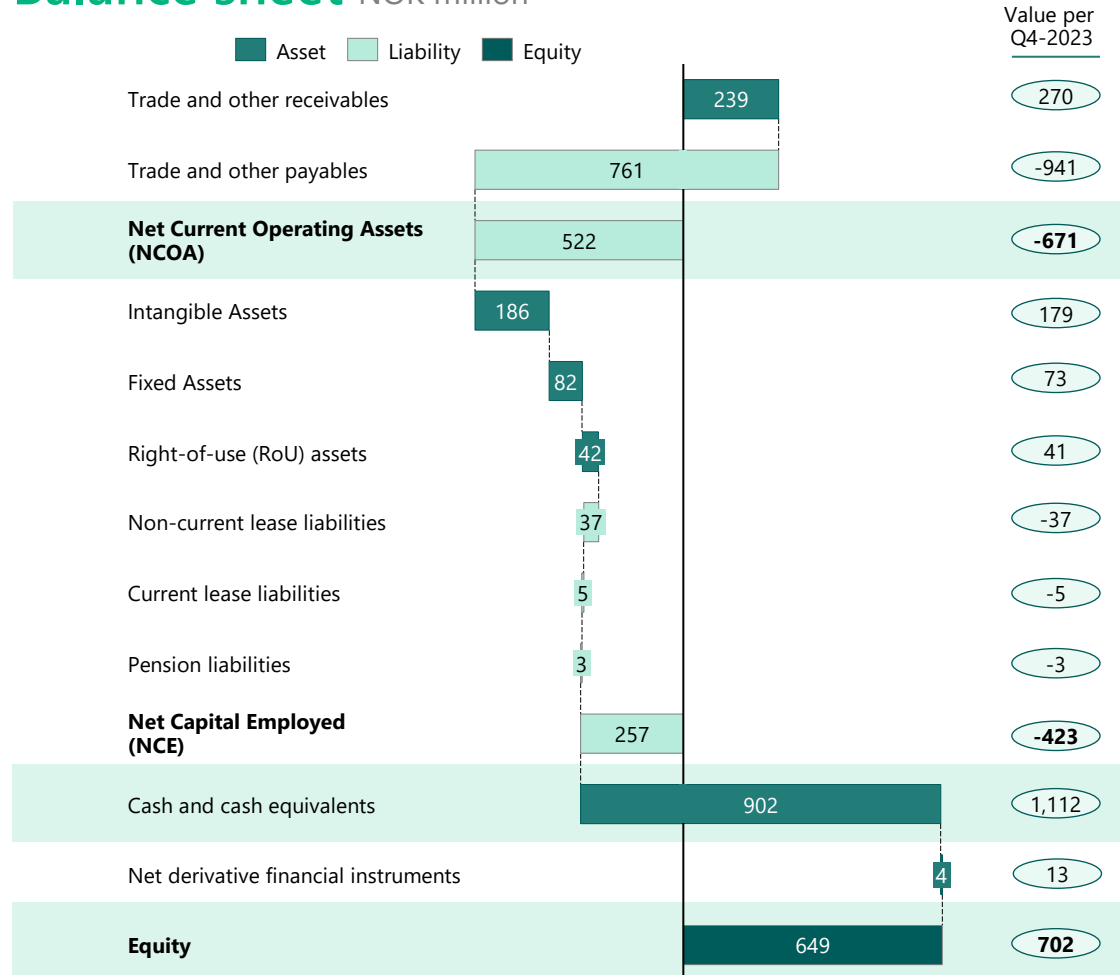
## Revenue and EBITDA NOK million



- **Revenue** ended at NOK 566 million which was NOK 279 million higher compared to the same period last year. The increase is mainly driven by ongoing Big Catch™ and Just Catch™ projects
- **EBITDA excluding transaction and other related costs** ended at negative NOK 22 million compared to negative NOK 51 million in the same period last year
  - Positive contribution from ongoing projects, FEEDs, pre-FEEDs and studies
  - The overall negative EBITDA continues to be driven by high commercial and tender activity, North America entry and technology and product development activities
  - Non-recurring transaction and other related costs of NOK 48 million brings the total EBITDA to negative NOK 70 million for the quarter

# First quarter 2024 | Balance sheet

## Balance sheet NOK million

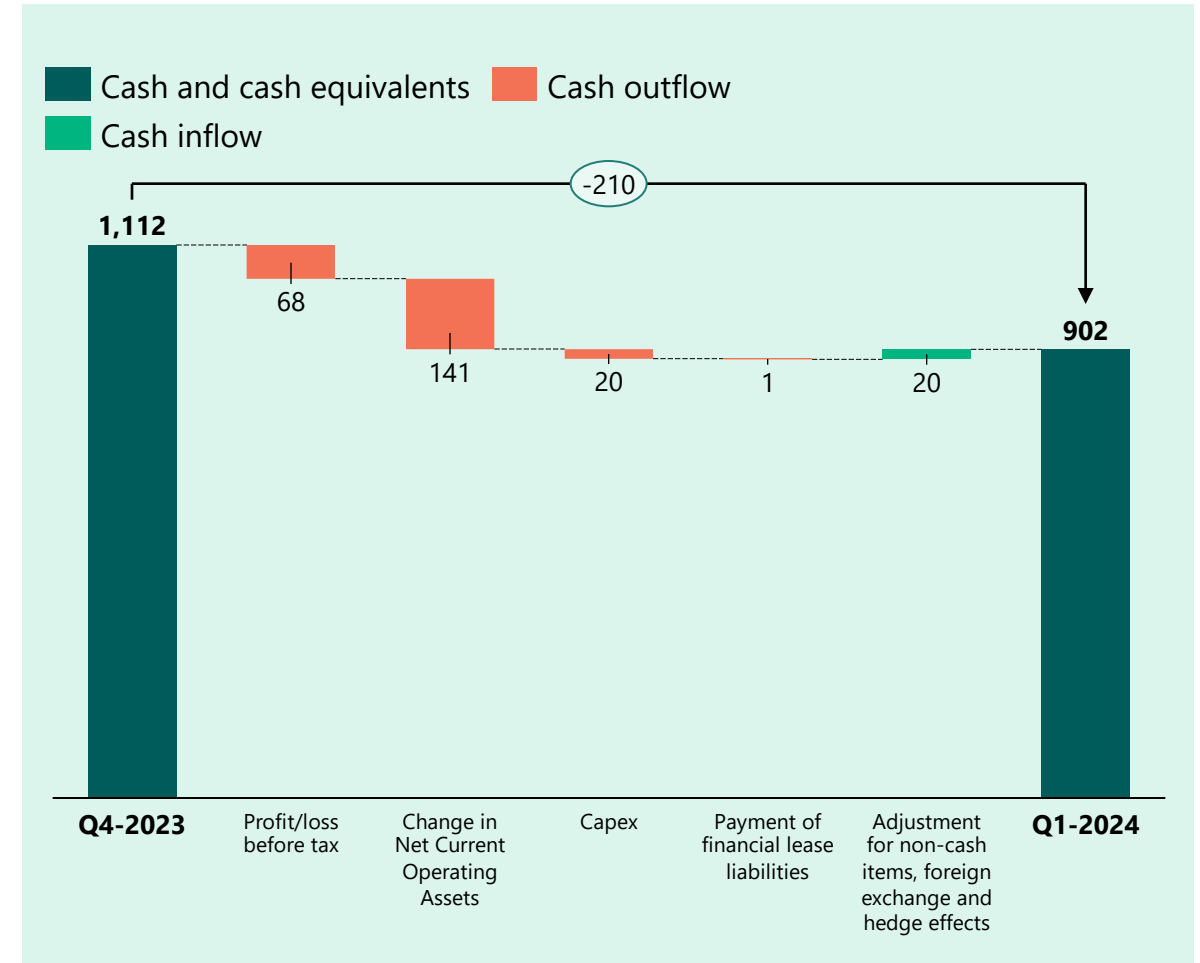


- **Net Current Operating Assets** (net working capital) ended at negative NOK 522 million which represents a positive cash position on key projects
- NOK 257 million negative **Net Capital Employed** signalling that operating capital is currently funded by project working capital
- **Cash and cash equivalents** balance at NOK 902 million
- Solid **Equity** position at NOK 649 million

# First quarter 2024 | Cash flow

- The quarter ended with an overall cash outflow of NOK 210 million
  - Loss before tax of NOK 68 million
  - Outflow of NOK 141 million related to change in Net Current Operating Assets mainly related to milestone payments to key vendors
  - CAPEX of NOK 20 million was mainly related to product development and Mobile Test Unit upgrades for the upcoming US campaign
  - Payment of financial lease liabilities and adjustment for other non-cash items was net positive and represented NOK 19 million
- Cash and cash equivalents ended the quarter at NOK 902 million

## Cash flow development NOK million







# Q&A

# Appendices

P&L | Balance sheet | Cash flow

# Condensed consolidated income statement

<i>Amounts in NOK thousand</i>	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Full year 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Full year 2023	Q1 2024
<b>Revenues</b>	<b>144,319</b>	<b>193,640</b>	<b>203,613</b>	<b>239,290</b>	<b>780,863</b>	<b>287,283</b>	<b>305,495</b>	<b>439,564</b>	<b>572,758</b>	<b>1,605,101</b>	<b>566,317</b>
Materials, goods and services	(129,170)	(171,708)	(181,301)	(222,607)	(704,786)	(258,542)	(279,923)	(424,219)	(529,167)	(1,491,850)	(493,060)
Currency hedge effects	-	-	(1,982)	962	(1,020)	(3,089)	1,773	8,708	5,604	12,996	(15,917)
Salary and other personnel costs	(34,135)	(38,357)	(44,574)	(35,073)	(152,140)	(52,615)	(56,143)	(52,928)	(55,126)	(216,812)	(54,062)
Other operating expenses	(41,689)	(32,159)	(31,353)	(29,463)	(134,663)	(24,408)	(24,383)	(18,612)	(34,220)	(101,623)	(25,180)
<b>EBITDA excl. transaction costs<sup>1</sup></b>	<b>(60,675)</b>	<b>(48,584)</b>	<b>(55,597)</b>	<b>(46,891)</b>	<b>(211,746)</b>	<b>(51,372)</b>	<b>(53,181)</b>	<b>(47,487)</b>	<b>(42,694)</b>	<b>(194,734)</b>	<b>(21,903)</b>
Transaction and other related costs	-	-	-	-	-	-	-	-	(2,544)	(2,544)	(48,299)
<b>EBITDA</b>	<b>(60,675)</b>	<b>(48,584)</b>	<b>(55,597)</b>	<b>(46,891)</b>	<b>(211,746)</b>	<b>(51,372)</b>	<b>(53,181)</b>	<b>(47,487)</b>	<b>(45,238)</b>	<b>(197,278)</b>	<b>(70,202)</b>
Depreciation and amortization	(2,597)	(3,014)	(2,597)	(2,799)	(11,008)	(3,871)	(3,196)	(3,826)	(5,137)	(16,029)	(5,384)
<b>Operating profit (loss)</b>	<b>(63,272)</b>	<b>(51,598)</b>	<b>(58,194)</b>	<b>(49,690)</b>	<b>(222,754)</b>	<b>(55,243)</b>	<b>(56,377)</b>	<b>(51,313)</b>	<b>(47,831)</b>	<b>(210,763)</b>	<b>(75,585)</b>
<b>Net financial items</b>	<b>3,257</b>	<b>1,808</b>	<b>6,618</b>	<b>6,998</b>	<b>18,682</b>	<b>5,996</b>	<b>9,862</b>	<b>11,471</b>	<b>12,621</b>	<b>39,950</b>	<b>7,864</b>
<b>Profit (loss) before tax</b>	<b>(60,015)</b>	<b>(49,790)</b>	<b>(51,576)</b>	<b>(42,692)</b>	<b>(204,072)</b>	<b>(49,246)</b>	<b>(46,515)</b>	<b>(39,842)</b>	<b>(35,210)</b>	<b>(170,813)</b>	<b>(67,721)</b>
Income tax benefit (expense)	-	-	-	-	-	-	-	-	-	-	-
<b>Net profit (loss)</b>	<b>(60,015)</b>	<b>(49,790)</b>	<b>(51,576)</b>	<b>(42,692)</b>	<b>(204,072)</b>	<b>(49,246)</b>	<b>(46,515)</b>	<b>(39,842)</b>	<b>(35,210)</b>	<b>(170,813)</b>	<b>(67,721)</b>

<sup>1</sup>Transaction costs include advisor fees and other costs directly related to the preparation and execution of the contemplated establishment of the joint venture with SLB

# Condensed consolidated balance sheet | Assets

<i>Amounts in NOK thousand</i>	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
<b>Non-current assets</b>										
Intangible assets	12,256	26,722	57,453	73,152	73,152	97,469	117,845	152,567	178,688	186,086
Right-of-use assets	11,751	9,677	7,604	5,530	5,530	3,456	1,382	(0)	41,221	41,618
Property, plant and equipment	12,382	21,812	26,108	48,892	48,892	57,451	59,546	65,139	73,198	82,192
<b>Total non-current assets</b>	<b>36,389</b>	<b>58,211</b>	<b>91,165</b>	<b>127,573</b>	<b>127,573</b>	<b>158,376</b>	<b>178,774</b>	<b>217,706</b>	<b>293,107</b>	<b>309,895</b>
<b>Current assets</b>										
Trade and other receivables	153,686	40,366	50,171	75,668	75,668	40,042	154,244	117,649	269,715	238,814
Derivative financial assets	-	-	7,208	677	677	172	8,199	21,130	12,913	3,966
Cash and cash equivalents	1,485,257	1,451,912	1,372,880	1,092,669	1,092,669	1,348,241	1,137,853	1,322,620	1,111,853	902,121
<b>Total current assets</b>	<b>1,638,944</b>	<b>1,492,279</b>	<b>1,430,258</b>	<b>1,169,013</b>	<b>1,169,013</b>	<b>1,388,455</b>	<b>1,300,296</b>	<b>1,461,399</b>	<b>1,394,481</b>	<b>1,144,901</b>
<b>Total assets</b>	<b>1,675,333</b>	<b>1,550,490</b>	<b>1,521,423</b>	<b>1,296,587</b>	<b>1,296,587</b>	<b>1,546,832</b>	<b>1,479,070</b>	<b>1,679,105</b>	<b>1,687,588</b>	<b>1,454,797</b>

# Condensed consolidated balance sheet | Equity and liabilities

<i>Amounts in NOK thousand</i>	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
<b>Equity</b>										
Share capital	604,242	604,242	604,294	604,242	604,242	604,290	604,242	604,242	604,242	604,242
Other equity and reserves	411,064	362,581	318,286	273,597	273,597	229,437	189,759	148,592	97,714	44,528
<b>Total equity</b>	<b>1,015,307</b>	<b>966,823</b>	<b>922,580</b>	<b>877,839</b>	<b>877,839</b>	<b>833,727</b>	<b>794,001</b>	<b>752,834</b>	<b>701,956</b>	<b>648,770</b>
<b>Non-current liabilities</b>										
Pension liabilities	2,475	2,487	2,836	3,112	3,112	2,979	2,969	2,948	3,167	3,190
Non-current lease liabilities	3,545	1,273	-	-	-	-	-	-	36,844	37,318
<b>Total non-current liabilities</b>	<b>6,020</b>	<b>3,760</b>	<b>2,836</b>	<b>3,112</b>	<b>3,112</b>	<b>2,979</b>	<b>2,969</b>	<b>2,948</b>	<b>40,011</b>	<b>40,508</b>
<b>Current liabilities</b>										
Trade and other payables	644,292	570,193	587,106	409,279	409,279	706,129	680,491	923,322	941,105	760,685
Current lease liabilities	9,714	9,714	8,686	6,356	6,356	3,997	1,609	(0)	4,515	4,834
Derivative financial liabilities	-	-	215	-	-	-	-	-	-	-
<b>Total current liabilities</b>	<b>654,006</b>	<b>579,907</b>	<b>596,007</b>	<b>415,635</b>	<b>415,635</b>	<b>710,126</b>	<b>682,100</b>	<b>923,322</b>	<b>945,620</b>	<b>765,519</b>
<b>Total equity and liabilities</b>	<b>1,675,333</b>	<b>1,550,490</b>	<b>1,521,423</b>	<b>1,296,587</b>	<b>1,296,587</b>	<b>1,546,832</b>	<b>1,479,070</b>	<b>1,679,105</b>	<b>1,687,587</b>	<b>1,454,797</b>

# Condensed consolidated statement of cash flow

<i>Amounts in NOK thousand</i>	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Full year 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Full year 2023	Q1 2024
Profit before tax	(60,015)	(49,790)	(51,576)	(42,692)	(204,072)	(49,246)	(46,515)	(39,842)	(35,210)	(170,813)	(67,721)
<i>Adjustment for:</i>											
Depreciation and amortization	2,597	3,014	2,597	2,799	11,008	3,871	3,196	3,826	5,137	16,029	5,384
Hedge adjustment, no cash flow effect	-	-	-	1,020	1,020	3,089	9,045	(3,111)	(15,624)	(6,601)	7,397
Changes in net current operating assets (including change in derivatives)	229,186	40,663	7,721	(203,982)	73,589	331,084	(146,406)	267,880	(119,379)	333,179	(141,325)
Accrued interest and foreign exchange	1,284	(887)	128	196	721	910	(1,756)	846	(561)	(561)	(524)
<b>Cash flow from operating activities<sup>1</sup></b>	<b>173,053</b>	<b>(6,999)</b>	<b>(41,130)</b>	<b>(242,658)</b>	<b>(117,734)</b>	<b>289,708</b>	<b>(182,435)</b>	<b>229,598</b>	<b>(165,637)</b>	<b>171,234</b>	<b>(196,790)</b>
Acquisition of property, plant and equipment	(4,953)	(9,733)	(4,597)	(23,290)	(42,573)	(6,379)	(3,936)	(6,468)	(15,586)	(32,369)	(10,587)
Payments for capitalized development	(1,184)	(14,686)	(30,952)	(15,919)	(62,741)	(27,351)	(20,597)	(36,248)	(30,255)	(114,451)	(9,042)
<b>Cash flow from investing activities</b>	<b>(6,137)</b>	<b>(24,419)</b>	<b>(35,549)</b>	<b>(39,209)</b>	<b>(105,314)</b>	<b>(33,730)</b>	<b>(24,533)</b>	<b>(42,716)</b>	<b>(45,841)</b>	<b>(146,820)</b>	<b>(19,629)</b>
Payment of finance lease liabilities	(2,429)	(2,787)	(2,429)	(1,804)	(9,448)	(2,359)	(2,388)	(1,609)	(1,741)	(8,097)	(1,142)
Net purchase of treasury shares	-	-	-	-	-	-	(991)	-	0	(991)	-
<b>Cash flow from financing activities</b>	<b>(2,429)</b>	<b>(2,787)</b>	<b>(2,429)</b>	<b>(1,804)</b>	<b>(9,448)</b>	<b>(2,359)</b>	<b>(3,379)</b>	<b>(1,609)</b>	<b>(1,741)</b>	<b>(9,088)</b>	<b>(1,142)</b>
FX revaluation of cash	(499)	862	74	3,460	3,896	1,953	(41)	(506)	2,451	3,857	7,829
<b>Net cash flow</b>	<b>163,988</b>	<b>(33,344)</b>	<b>(79,033)</b>	<b>(280,211)</b>	<b>(228,601)</b>	<b>255,572</b>	<b>(210,388)</b>	<b>184,768</b>	<b>(210,768)</b>	<b>19,184</b>	<b>(209,732)</b>
Cash and cash equivalent at the beginning of the period	1,321,270	1,485,257	1,451,913	1,372,880	1,321,270	1,092,669	1,348,241	1,137,853	1,322,620	1,092,669	1,111,853
<b>Cash and cash equivalent at the end of the period</b>	<b>1,485,257</b>	<b>1,451,912</b>	<b>1,372,880</b>	<b>1,092,669</b>	<b>1,092,669</b>	<b>1,348,241</b>	<b>1,137,853</b>	<b>1,322,620</b>	<b>1,111,853</b>	<b>1,111,853</b>	<b>902,121</b>

<sup>1</sup>Cash flow from operating activities includes paid transaction costs of NOK 10.5 million for Q1 2024

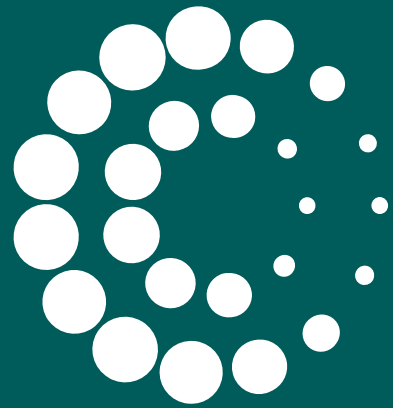
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