

Q1 2023

26 APRIL 2023

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Agenda

Introduction and first quarter highlights

Operations and business development

Delivery models

Financials

Way forward

Q&A

Aker Carbon Capture in brief

Pure play carbon capture company delivering ready-to-use capture plants

Best-in-class HSE friendly and proprietary patented technology for optimized all-round plant performance

Proven market-leading proprietary technology with close to 60,000 operating hours

Key regions



...with opportunities emerging in North America

Prioritized industries



CEMENT



BIO/WASTE-TO-ENERGY



GAS-TO-POWER



BLUE HYDROGEN

...and engagement with new industry segments like refining and process industries



Highlights

Major projects progressing:

- Brevik CCS: installation of more key equipment on site
- Twence CCU: containers installed on site
- UK flagship projects proceed with governmental support

Key awards:

- Letter of Intent for two Just Catch™ units
- Mobile Test Unit campaign for Fortum Waste Solutions
- Pre-FEED for European power utility customer
- Several studies awarded

Proprietary technology good fit for smelting industry

Carbfix collaboration strengthened with extension of MoU

Continued revenue growth and solid cash position

Accelerating market activity



UK Government funding

- bp's Net Zero Teesside Power and Viridor's Runcorn CCS successful bidders in UK Track 1 CCUS Cluster Sequencing Process
- SSE Thermal Keadby 3 positioning for potential Track 1 extension



Pre-FEED and several studies awarded

- Pre-FEED for European power utility customer with a mega scale capture capacity
- Study for Fortum Waste Solutions
- Study for undisclosed European customer in the smelting industry



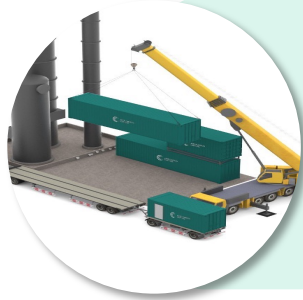
Mobile Test Unit campaign for Fortum Waste Solutions

- Fortum Waste Solutions' facility in Nyborg, Denmark
- Waste incineration plant specialized in safe destruction of hazardous waste and turning it into energy
- Planned capture capacity 170,000 tonnes CO₂ per year



Research and development achievements

- ACC's proprietary capture technology shown to be highly effective with flue gas from smelters
- Third generation Just Catch™ launched with improved energy efficiency, smaller footprint and fewer modules
- Completed membrane R&D project for high pressure CO₂ separation



Letter of Intent

- Letter of Intent for two Just Catch™ units with capture capacity of 200,000 tonnes CO₂ per year



Image: Carbfix

Extended MoU with Carbfix, CO₂ storage provider

- Jointly explore full CCS value chain for industrial emitters, capturing and permanently storing CO₂ by turning it into stone underground
- Strengthened collaboration for developing point source carbon capture with on-site storage across Europe and North America



Operations and business development



WASTE TO ENERGY TWENCE CCU

Hengelo,
Netherlands

- Capturing 100,000 TPA CO₂
- First of a kind modular carbon capture project on track
- Containers received and installed on the same day
- CO₂ will boost local greenhouse production

November 2021
SIGNED CONTRACT

April 2023
ALL COLUMNS AND JUST
CATCH™ CONTAINERS
INSTALLED ON SITE

End 2023
PLANNED
DELIVERY

NORCEM HEIDELBERG MATERIALS BREVIK CCS

Norway

- 400,000 TPA CO₂ capture and liquefaction plant
- Major equipment installed on site, incl. all nine Waste Heat Recovery Units, Flue Gas Fan and internals of Direct Contact Cooler
- Creating local employment and strong partnerships
- CO₂ transport by ship to permanent storage as part of Northern Lights



2020

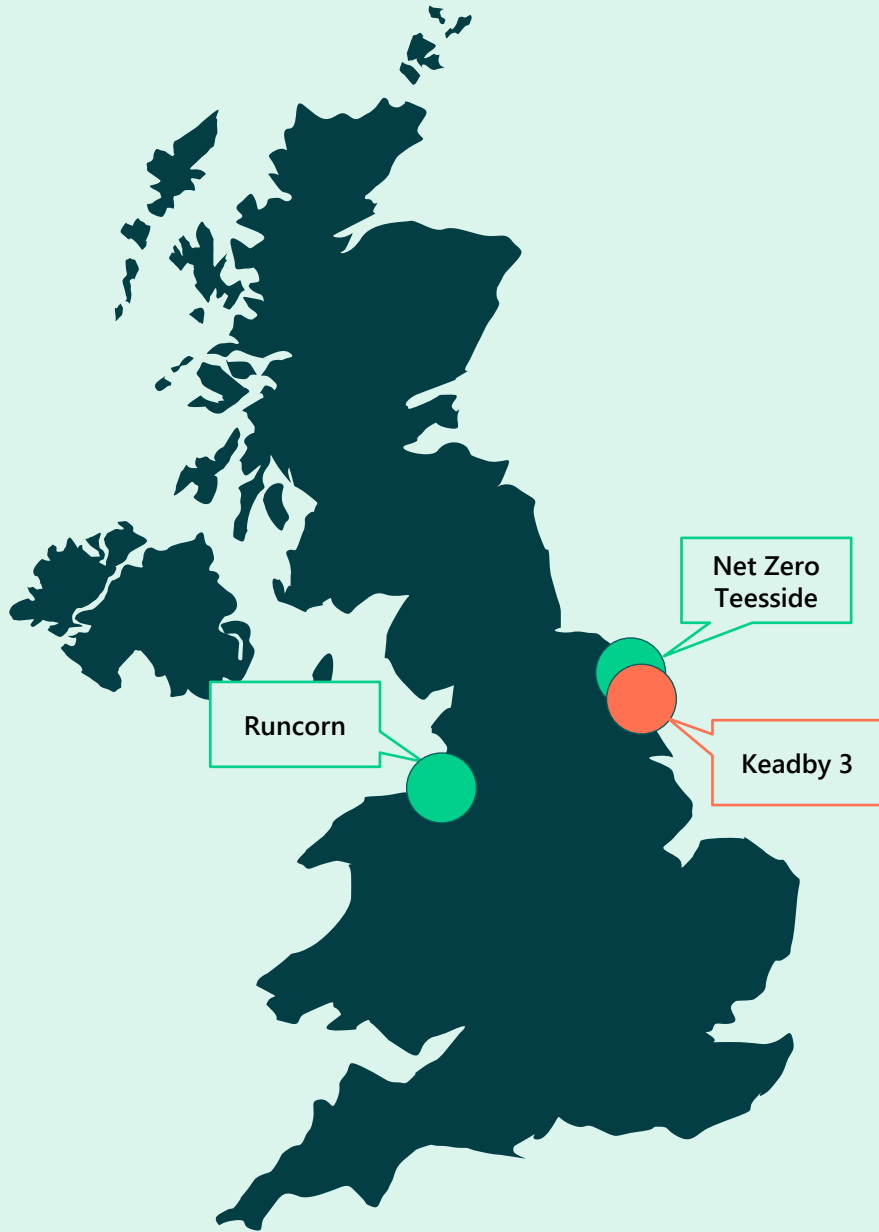
PROJECT START

March 2023

ALL THREE COLUMNS AND
STORAGE TANKS ARRIVED
ON SITE

2024

PLANNED
DELIVERY



Flagship projects in the UK

Track-1 Clusters

Proceeded to final negotiations for funding

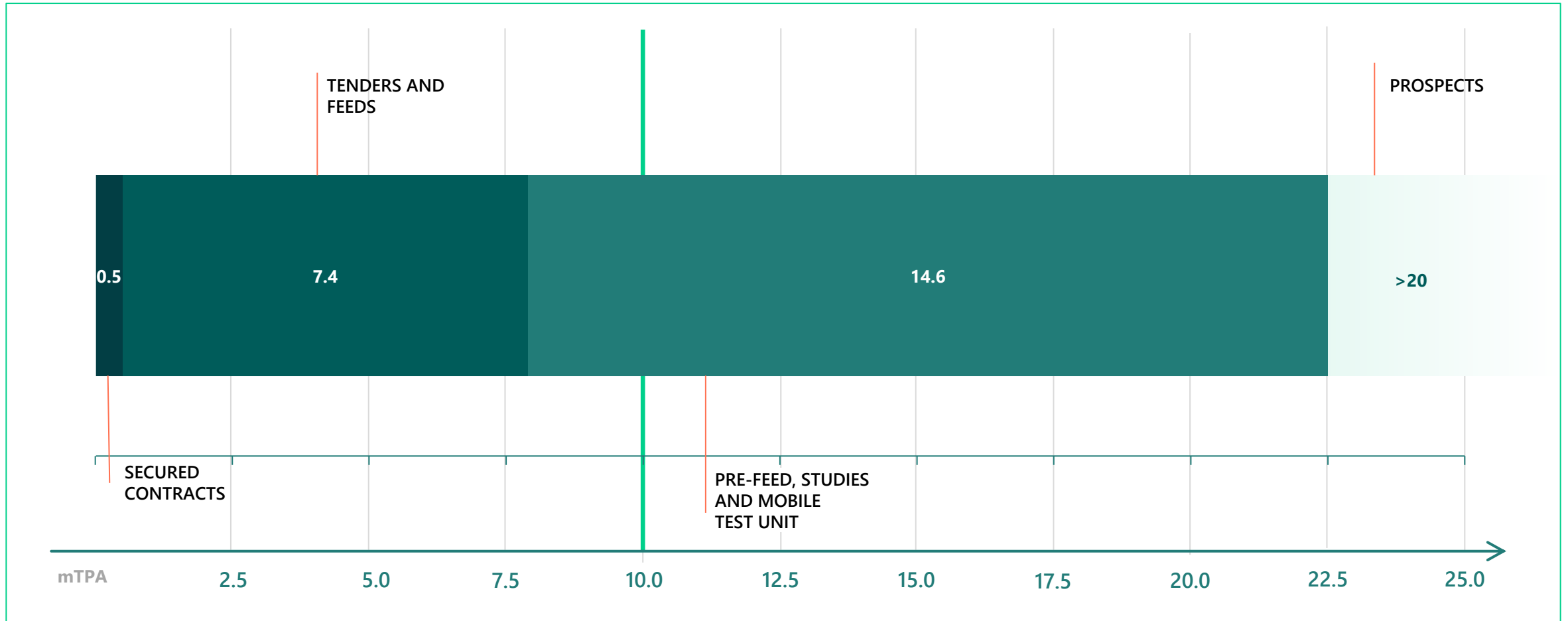
- bp Net Zero Teesside Power FEED
 - Design capacity of 2 million tonnes of CO₂ per year
 - Carbon capture partner to a consortium of Aker Solutions, Siemens Energy and Altrad Babcock
- Viridor's waste-to-energy Runcorn CCS pre-FEED
 - Planned capacity of 1 million tonnes of CO₂ per year

Awaiting potential Track-1 cluster expansion

- SSE Keadby 3 Carbon Capture Power Station FEED
 - Targeting up to 2 million tonnes of CO₂ per year

£20 billion UK CCUS infrastructure funding
Ambition of 20-30 Mt CO₂/year capture by 2030













Continued progress towards 10 in 25



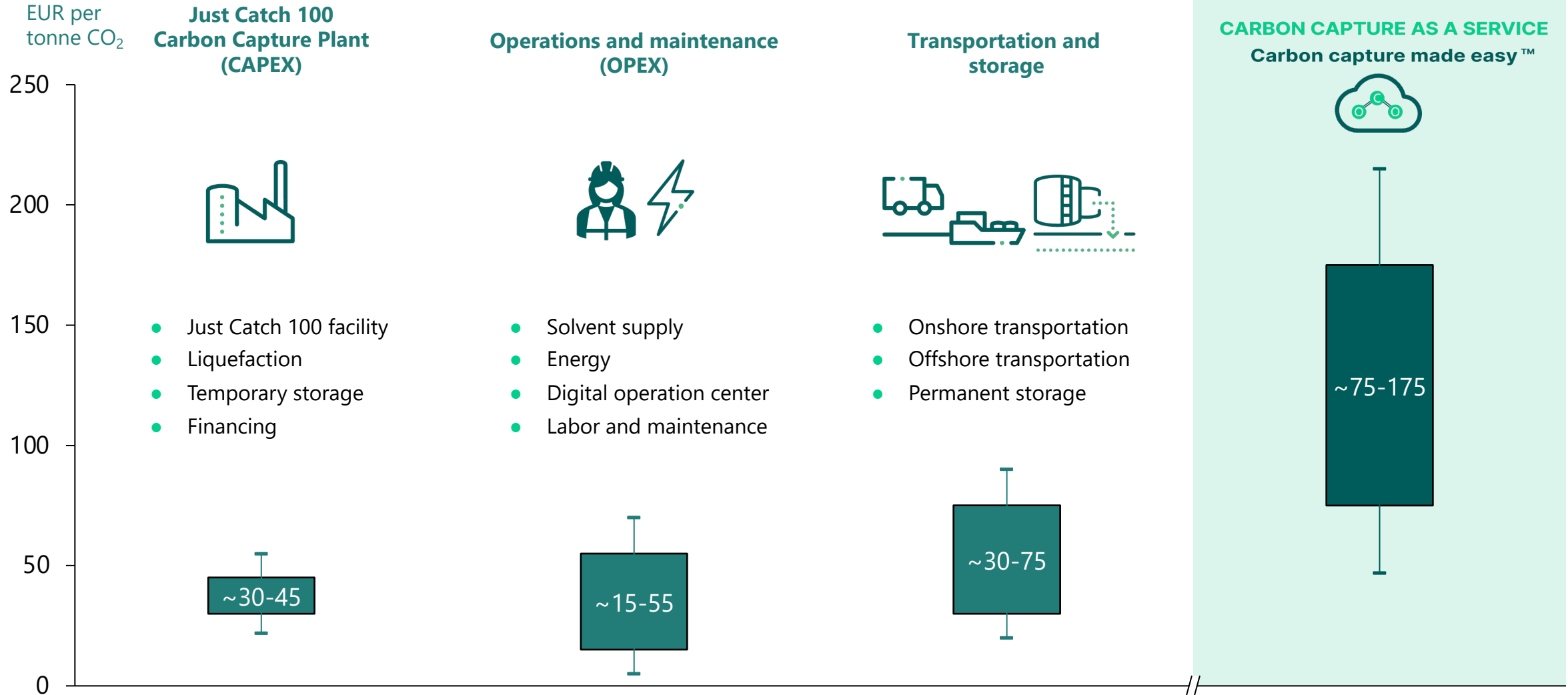
Delivery models

Offerings and delivery models

Three core carbon capture products offered by Aker Carbon Capture

Key offerings	Delivery models		
 <p>Just Catch™ Capacity: 40 and 100 ktpa each, up to 3 parallel units</p>	EPC 	License and Key Equipment 	CCaaS 
 <p>Big Catch Capacity: > 400 ktpa</p>	EPC 	License and Key Equipment 	CCaaS 
 <p>Just Catch Offshore™ Capacity: 120 – 360 ktpa</p>	EPC 	License and Key Equipment 	CCaaS 

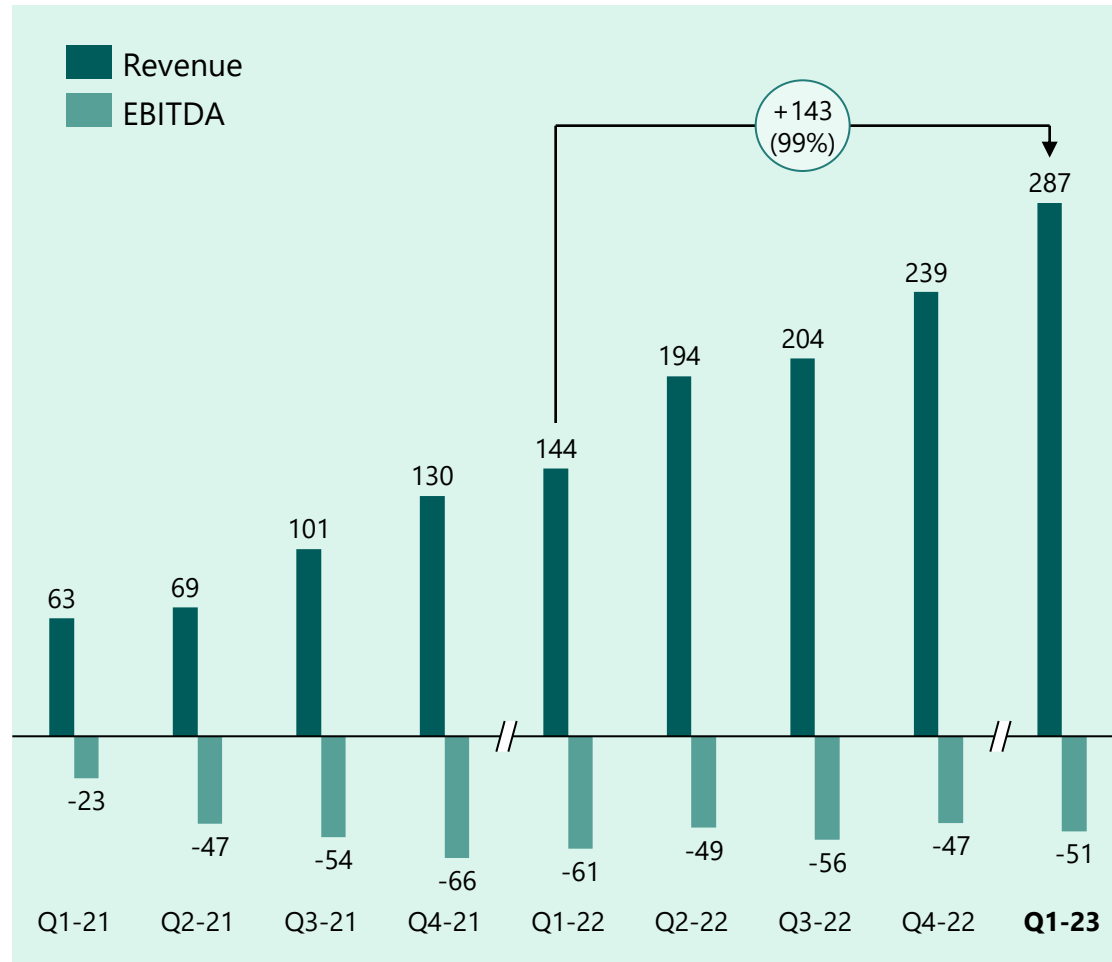
Indicative levelized cost of Carbon Capture as a Service



Financials

First quarter 2023 | Income statement

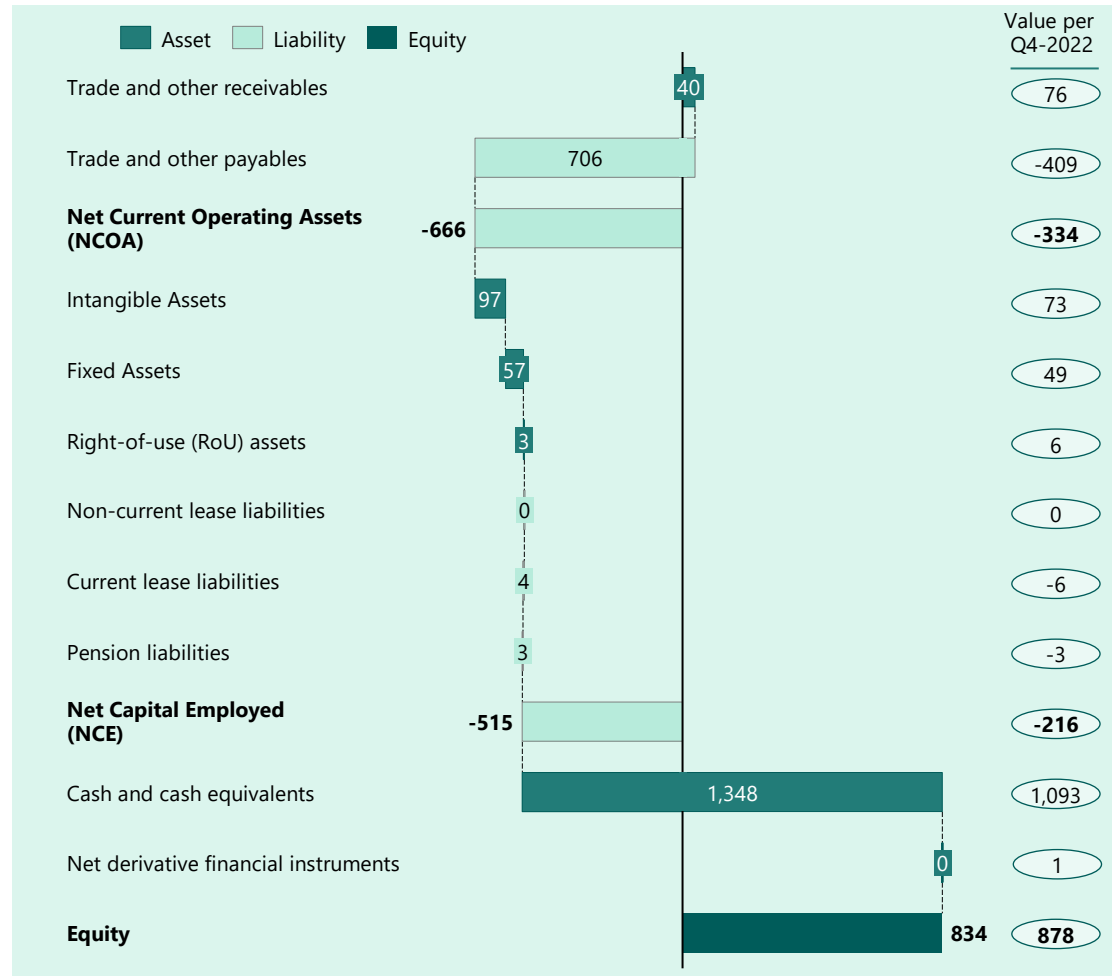
Revenue and EBITDA NOK million



- **Revenue** ended at NOK 287 million which was NOK 143 million higher compared to the same period last year. The increase is mainly driven by:
 - The Brevik CCS and Twence CCU projects
 - UK FEEDs with BP Net Zero Teesside Power and SSE Keadby 3
 - Pre-FEED for Viridor and CO₂ Hub Nord MTU campaign
- **EBITDA** ended at negative NOK 51 million which was NOK 9 million better than the same period last year
 - Both the Brevik CCS and the Twence CCU projects are now recognizing profit and are expected to continue to deliver positive results through the year
 - Positive contribution from FEEDs, Pre-FEEDs and studies
 - The overall negative EBITDA continued to be driven by high sales and tender activity and R&D projects incl. digitalization

First quarter 2023 | Balance sheet

Balance sheet NOK million

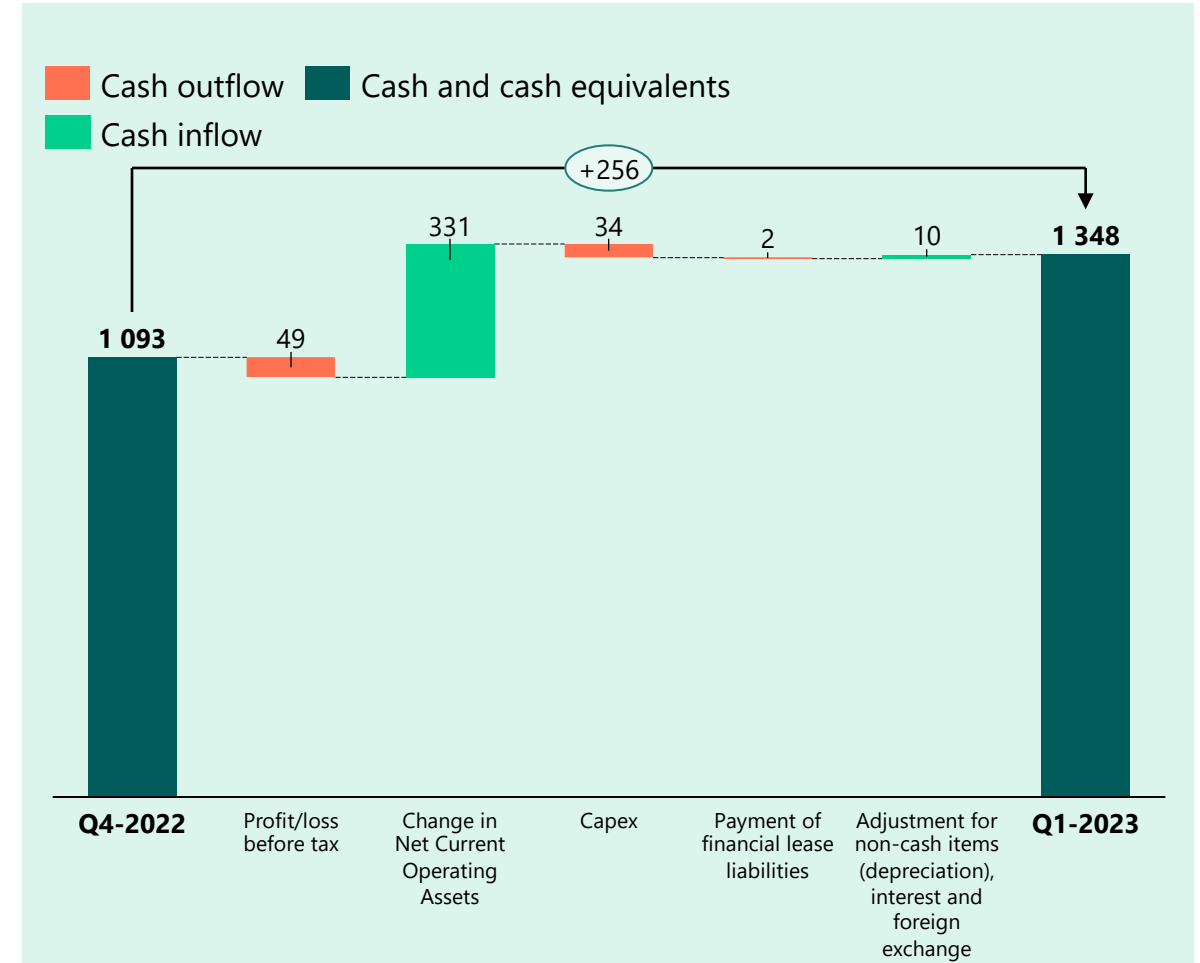


- **Net Current Operating Assets** (net working capital) ended at negative NOK 666 million which represents a strong positive cash position on key projects
- NOK 515 million negative **Net Capital Employed** signalling that the business' operating capital is currently funded by project working capital
- Healthy **Cash and cash equivalents** balance at NOK 1.3 billion which covers all liabilities 1.9 times
- Strong **Equity** position at NOK 0.8 billion

First quarter 2023 | Cash flow

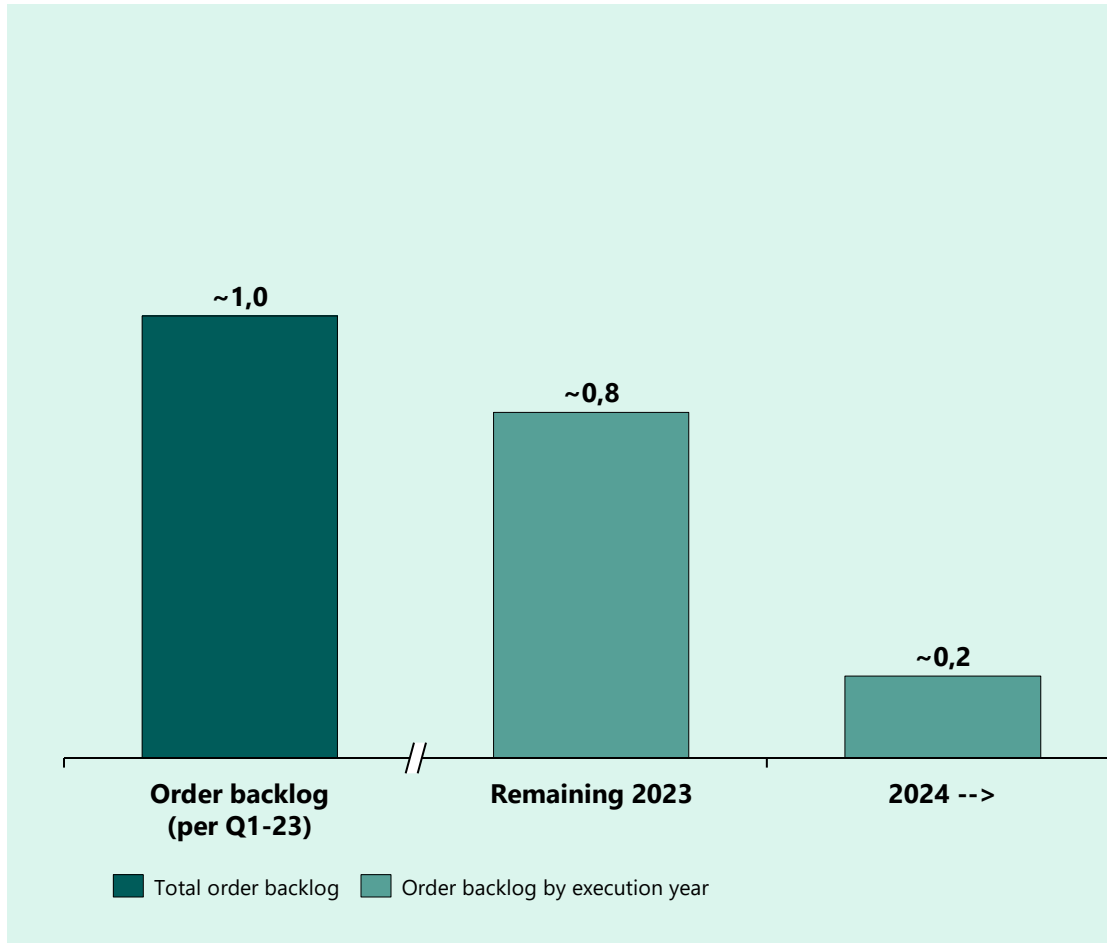
- The quarter ended with an overall cash inflow of NOK 256 million
 - Loss before tax of negative NOK 49 million
 - Inflow of NOK 331 million related to change in Net Current Operating Assets mainly related to milestone payments on the key projects
 - CAPEX of NOK 34 million mainly related to product development and the construction of a new Mobile Test Unit
 - Payment of financial lease liabilities and adjustment for other non-cash items was net positive and represented NOK 8 million
- Cash and cash equivalents ended the quarter at NOK 1,348 million

Cash flow development NOK million



Financial outlook

Order backlog by execution year NOK billion



SG&A and operating expenses

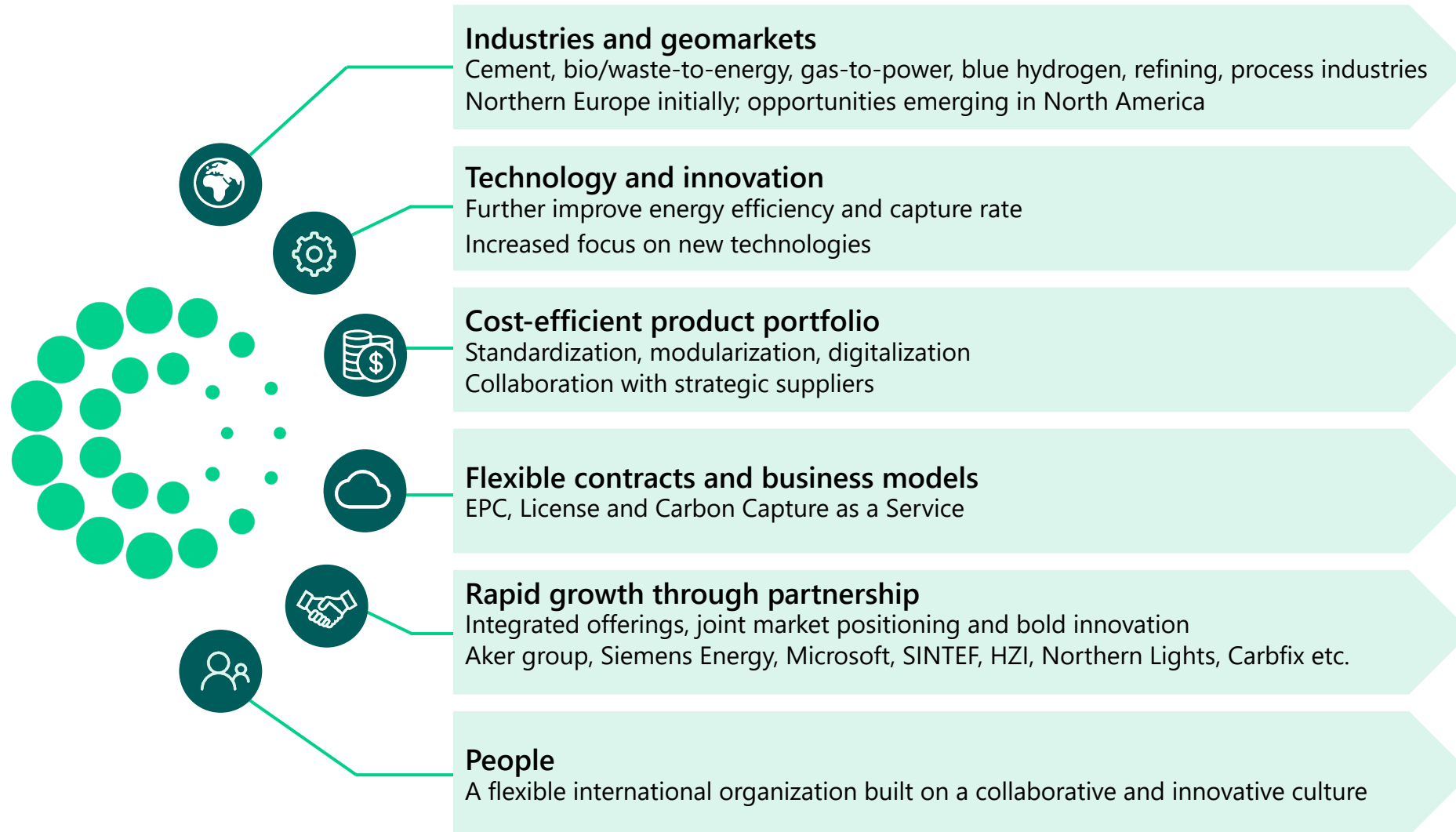
- Total salary, personnel and other operating costs ended at NOK 77 million in Q1 2023
- Excluding costs associated with projects, we expect to see operating expenses around similar levels through the next six months, with significant flexibility

Cash balance

- First quarter 2023 ended with a net cash balance of NOK 1.3 billion, driven by project-related cash inflows
- Expect cash position to gradually trend down through the rest of the year as project working capital is consumed

Summary

Way forward



**Deliver
on
ongoing
projects**

10 in 25

Secure contracts
to capture **10**
million tonnes
CO₂ per annum
by **2025**



Q&A

Appendices

P&L | Balance sheet | Cash flow | ESG

Condensed consolidated income statement

<i>Amounts in NOK thousand</i>	Full year 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Full year 2022	Q1 2023
Revenues	363,177	144,319	193,640	203,613	239,290	780,863	287,283
Materials, goods and services	(332,814)	(129,170)	(171,708)	(183,284)	(221,645)	(705,807)	(261,631)
Salary and other personnel costs	(92,102)	(34,135)	(38,357)	(44,574)	(35,073)	(152,140)	(52,615)
Other operating expenses	(128,104)	(41,689)	(32,159)	(31,353)	(29,463)	(134,663)	(24,408)
EBITDA	(189,843)	(60,675)	(48,584)	(55,597)	(46,891)	(211,746)	(51,372)
Depreciation	(5,346)	(2,597)	(3,014)	(2,597)	(2,799)	(11,008)	(3,871)
Operating profit (loss)	(195,189)	(63,272)	(51,598)	(58,194)	(49,690)	(222,754)	(55,243)
Financial income	3,148	2,445	3,078	5,286	7,569	18,377	6,885
Financial expenses	(659)	(186)	(272)	(170)	(165)	(793)	(132)
Foreign exchange gain (loss)	399	998	(997)	1,503	(406)	1,097	(757)
Net financial items	2,889	3,257	1,808	6,618	6,998	18,682	5,996
Profit (loss) before tax	(192,301)	(60,015)	(49,790)	(51,576)	(42,692)	(204,072)	(49,246)
Income tax benefit (expense)	-	-	-	-	-	-	-
Net profit (loss)	(192,301)	(60,015)	(49,790)	(51,576)	(42,692)	(204,072)	(49,246)

Condensed consolidated balance sheet | Assets

<i>Amounts in NOK thousand</i>	31/12/2021	Q1 2022	Q2 2022	Q3 2022	31/12/2022	Q1 2023
Non-current assets						
Intangible assets	11,292	12,256	26,722	57,453	73,152	97,469
Right-of-use assets	14,242	11,751	9,677	7,604	5,530	3,456
Property, plant and equipment	7,732	12,382	21,812	26,108	48,892	57,451
Total non-current assets	33,266	36,389	58,211	91,165	127,573	158,376
Current assets						
Trade and other receivables	255,306	153,686	40,366	50,171	75,668	40,042
Derivative financial assets	-	-	-	7,208	677	172
Cash and cash equivalents	1,321,270	1,485,257	1,451,912	1,372,880	1,092,669	1,348,241
Total current assets	1,576,576	1,638,944	1,492,279	1,430,258	1,169,013	1,388,455
Total assets	1,609,841	1,675,333	1,550,490	1,521,423	1,296,587	1,546,832

Condensed consolidated balance sheet | Equity and liabilities

<i>Amounts in NOK thousand</i>	31/12/2021	Q1 2022	Q2 2022	Q3 2022	31/12/2022	Q1 2023
Equity						
Share capital	604,242	604,242	604,242	604,294	604,242	604,290
Other equity and reserves	472,034	411,064	362,581	318,286	273,597	229,437
Total equity	1,076,276	1,015,307	966,823	922,580	877,839	833,727
Non-current liabilities						
Pension liabilities	2,685	2,475	2,487	2,836	3,112	2,979
Non-current lease liabilities	6,091	3,545	1,273	-	-	-
Total non-current liabilities	8,775	6,020	3,760	2,836	3,112	2,979
Current liabilities						
Trade and other payables	515,076	644,292	570,193	587,106	409,279	706,129
Current lease liabilities	9,714	9,714	9,714	8,686	6,356	3,997
Derivative financial liabilities	-	-	-	215	-	-
Total current liabilities	524,790	654,006	579,907	596,007	415,635	710,126
Total equity and liabilities	1,609,841	1,675,333	1,550,490	1,521,423	1,296,587	1,546,832

Condensed consolidated statement of cash flow

<i>Amounts in NOK thousand</i>	Full year 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Full year 2022	Q1 2023
Profit before tax	(192,301)	(60,015)	(49,790)	(51,576)	(42,692)	(204,072)	(49,246)
<i>Adjustment for:</i>							
Amortisation and depreciation	5,346	2,597	3,014	2,597	2,799	11,008	3,871
Hedge adjustment, no cash flow effect	-	-	-	-	1,020	1,020	3,089
Changes in net current operating assets	243,039	229,186	40,663	7,721	(203,982)	73,589	331,084
Accrued interest and foreign exchange	596	1,284	(887)	128	196	721	910
Cash flow from operating activities	56,680	173,053	(6,999)	(41,130)	(242,658)	(117,734)	289,708
Acquisition of property, plant and equipment	(5,341)	(4,953)	(9,733)	(4,597)	(23,290)	(42,573)	(6,379)
Payments for capitalized development	(7,769)	(1,184)	(14,686)	(30,952)	(15,919)	(62,741)	(27,351)
Cash flow from investing activities	(13,110)	(6,137)	(24,419)	(35,549)	(39,209)	(105,314)	(33,730)
Payment of finance lease liabilities	(4,888)	(2,429)	(2,787)	(2,429)	(1,804)	(9,448)	(2,359)
Share issue, net of transaction costs	824,888	-	-	-	-	-	-
Cash flow from financing activities	820,000	(2,429)	(2,787)	(2,429)	(1,804)	(9,448)	(2,359)
FX revaluation of cash	-	(499)	862	74	3,460	3,896	1,953
Net cash flow	863,571	163,988	(33,344)	(79,033)	(280,211)	(228,601)	255,572
Cash and cash equivalent at the beginning of the period	457,699	1,321,270	1,485,257	1,451,913	1,372,880	1,321,270	1,092,669
Cash and cash equivalent at the end of the period	1,321,270	1,485,257	1,451,913	1,372,880	1,092,669	1,092,669	1,348,241

ESG focus areas

STRATEGIC TARGETS

Along with the absolute volume of carbon captured there are two important targets for Aker Carbon Capture:



Carbon intensity to be improved by 50% by 2030



Reaching net negative by 2030

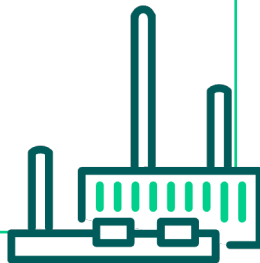
Current Carbon intensity¹

Just Catch

Capture phase: 0.2%

Big Catch

Capture phase: 1.6%



ACTIONS TOWARDS 2030

-  Emissions will be reduced through execution, technological, and commercial initiatives such as:
 -  Improve capture rate and energy efficiency
 -  Supply chain engagement, e.g. low carbon materials and reduction targets
 -  Strategic partner engagement, e.g. transport and storage
 -  Purchase of Guarantee of Origin of renewable power
-  Focus on carbon removals including offsetting residual emissions.

HIGHLIGHTS

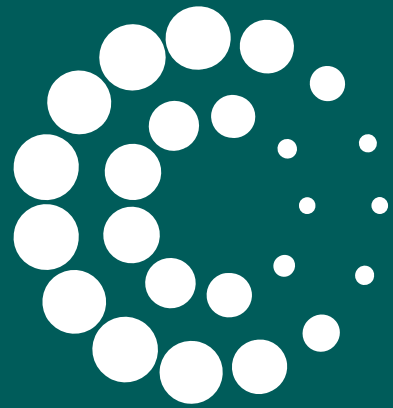


Founding members through Aker ASA. Creates predictability around demand for sustainable and low-carbon materials and products.



We have issued our commitment-letter and moving forward we will collaborate with Science-Based Target initiative to get our targets approved.

¹ NB: Carbon intensity defined as: tCO₂ emitted/tCO₂ captured



AKER CARBON
CAPTURE

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