

Accelerating the transition to a carbon negative future

Pareto Securities' Power & Renewable Energy Conference

28 February 2023



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Building a leading global carbon capture tech provider



Safe and energy-efficient carbon capture technologies developed and commercialised since 2003



Our technologies are licensed out, either directly to customers or through global distribution partners



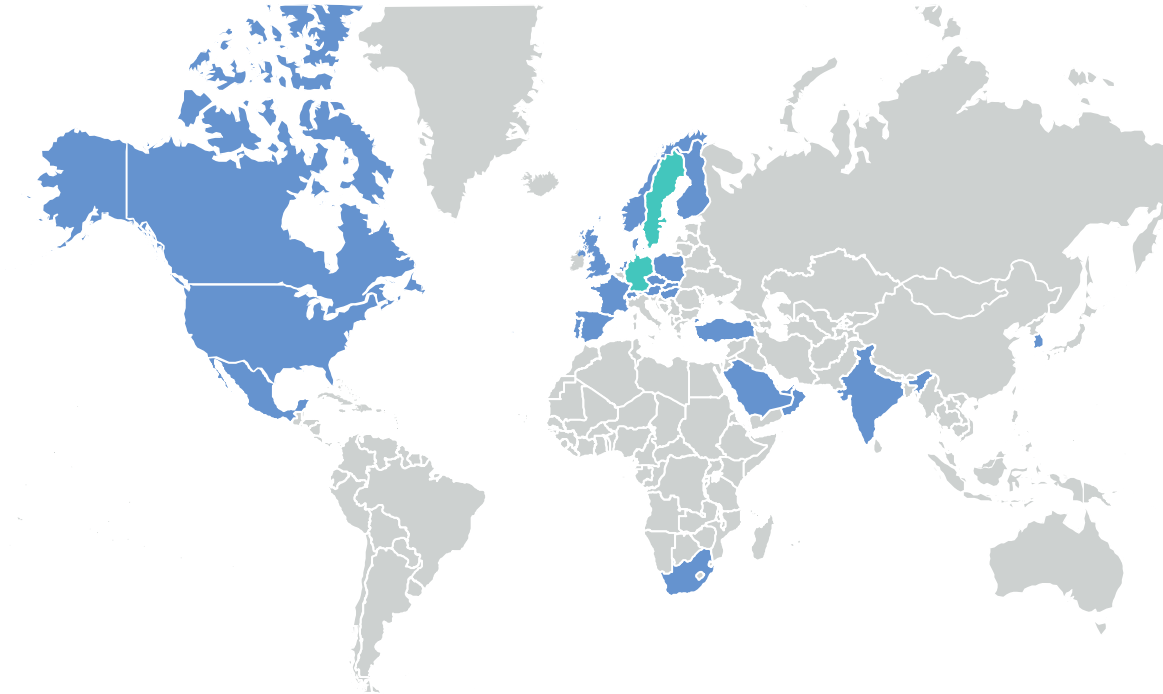
The core process is based on a potassium carbonate solvent and applicable to all CO₂-intensive industries



Key target segments are cement, biomass, energy-from-waste, power generation and industrial plants



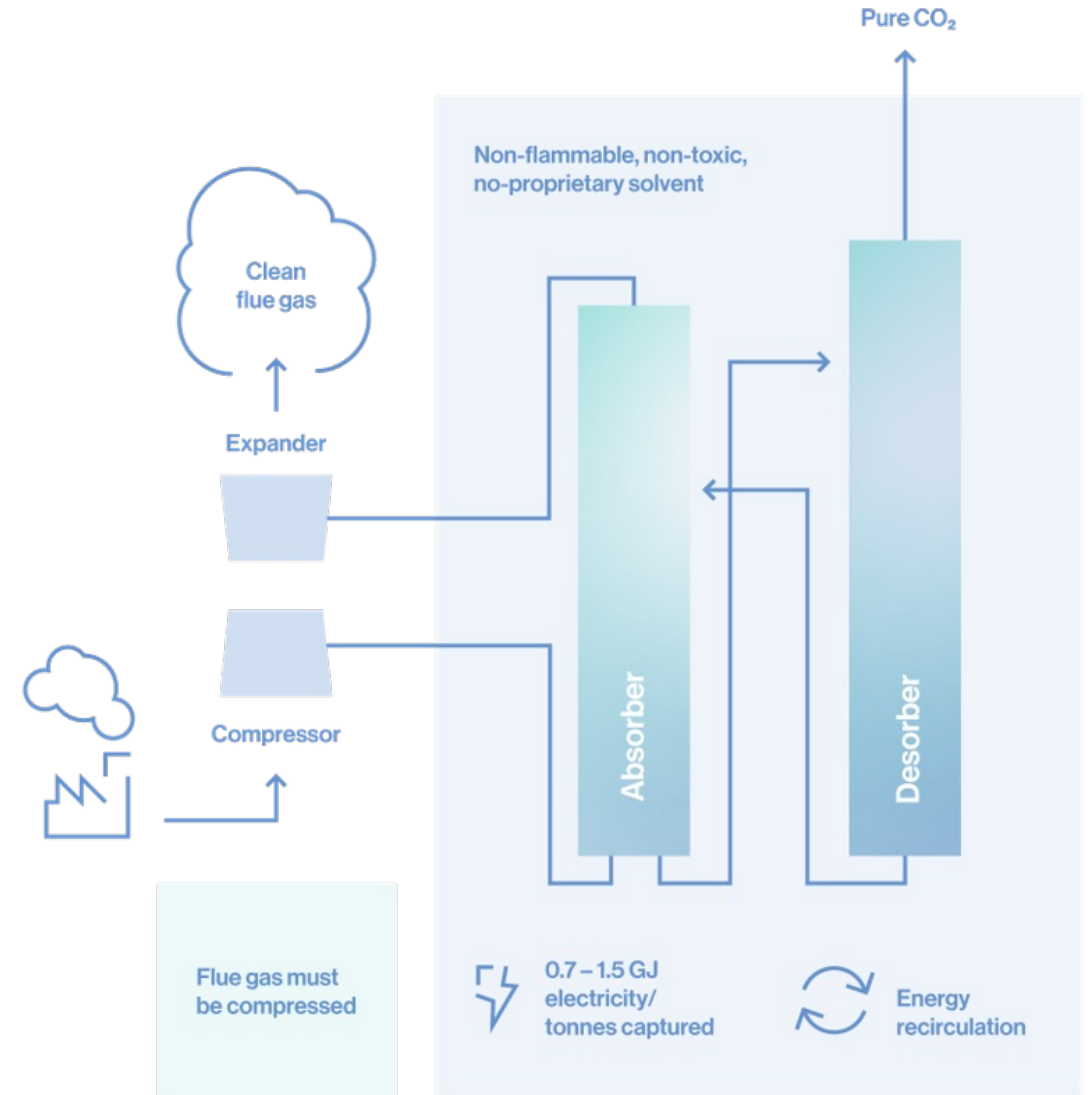
Listed on Euronext Growth Oslo, market cap of NOK ~700 million



■ Current customers ■ Project leads

Efficient capture process based on reusing energy

- Patented heat recuperation process minimising the main cost driver for carbon capture: Energy consumption
- Superior health and safety performance
- Extracts high-purity CO₂ for utilisation or storage
- Tested through successful projects and campaigns, including three pilots completed with 90-95% CO₂ capture efficiency¹
- Successful demonstration campaign with CapsolGo® at Öresundskraft's Energy-from-Waste plant in Helsingborg



Competitive solutions in an attractive business model

Reduced energy consumption and capture cost

- ~40% lower capture cost vs comparable solutions¹ due to patented energy recuperation reducing energy consumption
- Potassium carbonate is a cheaper solvent compared to amines

Low installation risk and safe operations

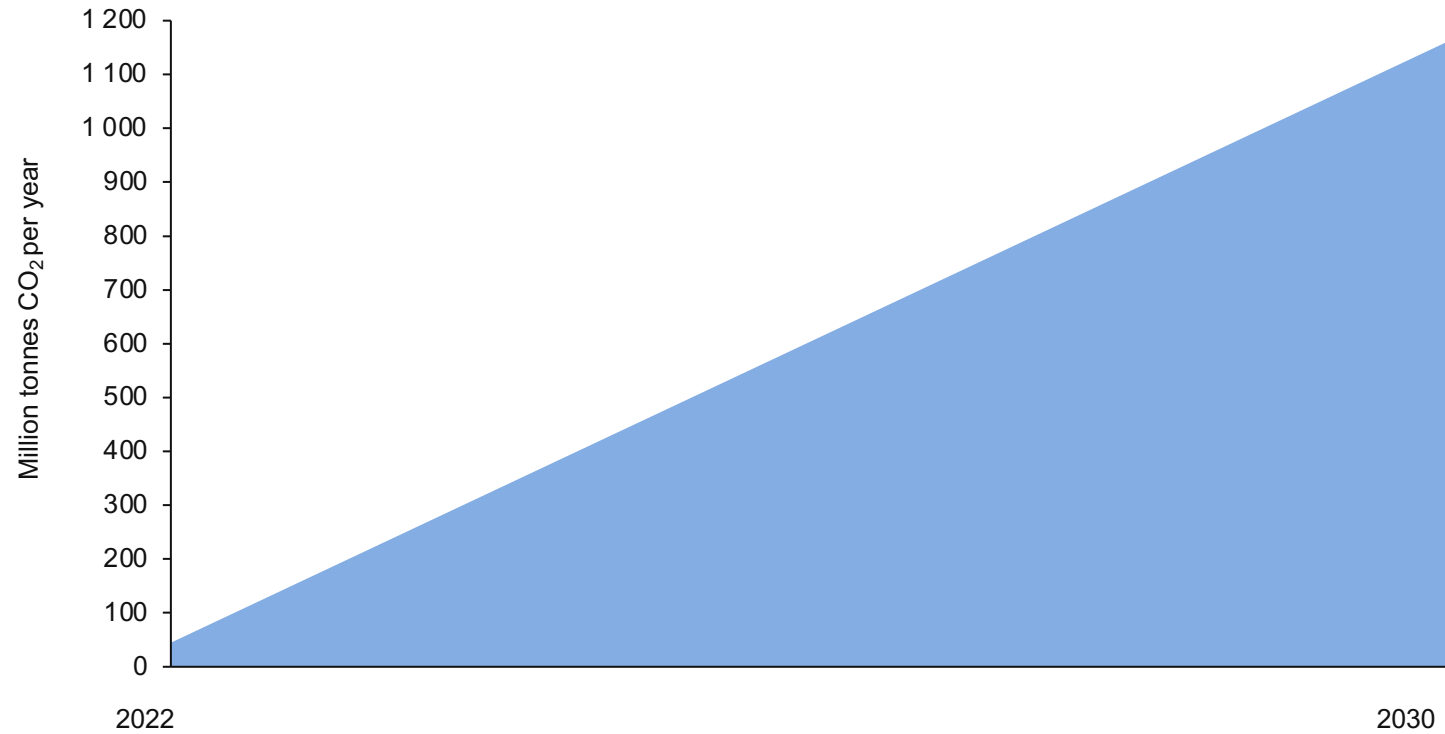
- Potassium carbonate as CO₂ solvent used in 750+ industrial plants globally²
- Safe and environmentally friendly. No need for shut-downs during installation

Capital light business model with expected greater returns over time

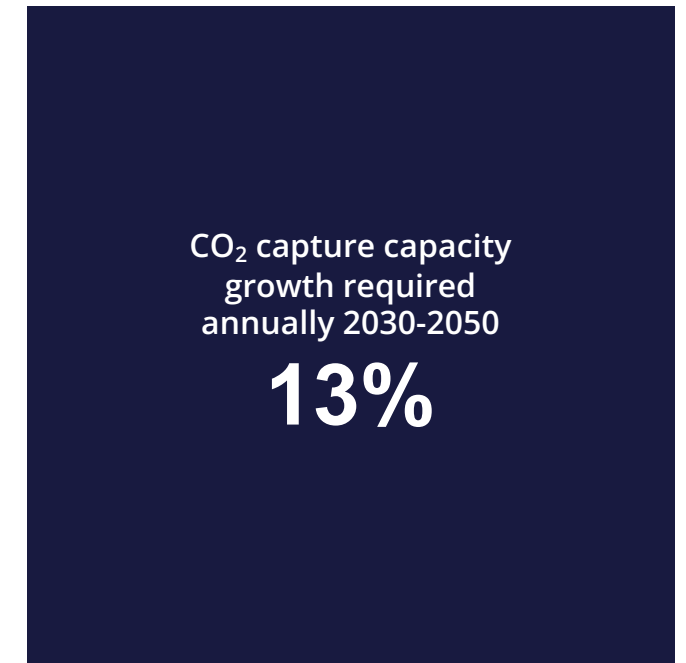
- Technology licensed out globally through leading partners
- Highly scalable, limited capex element and ability to adjust opex vs commercial development

50% annual growth in CO₂ capture required by 2030

CO₂ capture capacity in IEA's net zero emissions scenario



Required 2030-2050



New incentives boost CCS demand in *both* the US and Europe

- Call on carbon capture is increasing
- CCS (carbon capture and storage) in North America and Europe fuelled by new incentives
- The Inflation Reduction Act in the US increases tax refund from 50 to 85 USD per tonnes for carbon capture
- EU's Green Deal Industrial Plan will propose simple tax-break models and targeted aid for production facilities in strategic clean-tech value chains, including CCS



«The next decade will see the greatest industrial transformation of our times»

Ursula von der Leyen, President of the European Commission, Special Address at Davos 2023

«Better put CO₂ into the ground than into the atmosphere»

Robert Habeck, German Federal Minister for Economic Affairs and Climate Protection, during visit to Norway in January 2023



«[The next big thing in ESG investing] has to be sequestration and decarbonisation»

Larry Fink, Blackrock's CEO, in the NBIM podcast 'In Good Company' January 2023

2022 highlights

First large-scale project secured: 800,000 tonnes CO₂ per year

Stockholm Exergi's Värtaverket will be Europe's first large-scale negative emissions plant

Two CapsolGo[®] demonstration units ordered – first in operation in Sweden from Q3

Successful demonstration for Öresundskraft in Sweden; further two 6-month campaigns in Germany starting this year

Strengthening organisation and partnering with global players to extend reach, capacity and capabilities

Key recruitments as well as signed partnerships with Hitachi Zosen Inova, WOIMA, Sumitomo SHI FW and Eickmeyer

Pipeline of ~100 active leads totalling more than 25 million tonnes of CO₂

High activity in Europe and North-America; US market fuelled by the Inflation Reduction Act (IRA)

Fully funded to deliver on current business plan

"Green loan" debt financing secured from DNB for the first two CapsolGo[®] units

Stockholm Exergi – progressing well

- Patent license agreement for use of CO2 Capsol's End-of-Pipe (EoP) technology at Stockholm Exergi's biomass powered Combined Heat and Power (CHP) plant at Värtaverket in Stockholm signed in July 2022
- Värtaverket will be Europe's first large-scale negative emissions plant with a full-scale deployment of 800,000 tonnes CO₂ per year
- Stockholm Exergi is currently in dialogue with potential offtakers for negative emissions certificates
- Project progress is good. Final investment decision (FID) will be taken following approval of environmental permit application. Expected early 2024.



«We will do everything we can to get the product to market as quickly as possible»

Erik Rylander, Head of Carbon Dioxide Removal at Stockholm Exergi, to Swedish business daily Dagens Industri in February 2023

Successful demonstration for Öresundskraft in Sweden

- The CapsolGo® unit has successfully run for 5-months proving that the technology is well-suited for Energy-from-Waste (EfW)
- Strong interest from potential customers and other key stakeholders; 40+ visits and 10+ media articles in the period
- Full-scale deployment of 210,000 tonnes CO₂ per year. Öresundskraft is expecting a final investment decision (FID) for CCS at Filbornaverket in 2025. Technology yet to be selected
- CO₂ Capsol to upgrade the CapsolGo® unit during Q2, expanding capabilities with increased energy efficiency



«The CapsolGo® campaign has provided us with valuable insights into performance and viability of the HPC capture technology at our waste incineration flue gases. There has been a large interest into the trials»

Ann-Sofie Lindqvist, Project Manager CCS, Öresundskraft AB

Entering Germany – largest CCS potential in the EU

- CO2 Capsol to open an office in Berlin during Q1, the first location outside Norway
- 12-month contract for the delivery of two CapsolGo® campaigns at an Energy-from-Waste (EfW) and a biomass-fired Combined Heat and Power (CHP) plant, both for a major German energy company
- German energy producers emitted 247 million tonnes CO₂ in 2021, while the industry emitted 181 million tonnes CO₂, totalling 428 million tonnes CO₂
- This represents minimum EUR 1.7 billion in market opportunity for carbon capture technology licencing only



Building a leading global carbon capture tech provider

Long-term targets

5% technology licensing market share

EUR 7-12/tonnes per capacity installed

40-60% pre-tax profit margin

Illustrative

Addressable market 2030 - in tonnes of CO₂ capture capacity

1,160 million

Technology licensing opportunity 2023-30

EUR 21 billion

Order book potential at 5% market share in the period

EUR 1.1 billion

Pre-tax profit potential in order book at 50% margin

EUR 0.5 billion

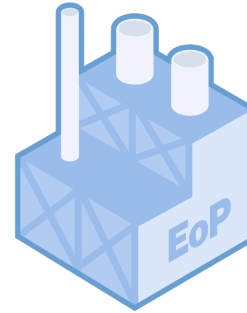
Carbon capture technologies to support all industries



CapsolGo® demonstration units

700 tonnes CO₂/year

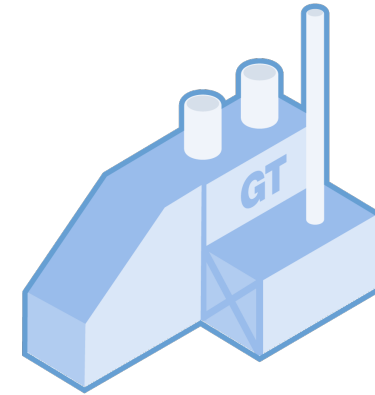
Mobile carbon capture demonstration unit with an all-inclusive package. First unit in operation in Sweden, second unit on two 6-month campaigns in Germany from Q1 2023.



Capsol EoP™ (End-of-Pipe)

100,000+ tonnes CO₂/year

A full capture system for large-scale CO₂ emitting industries. First large-scale project won for BECCS (bio-energy carbon capture and storage) project in Sweden.

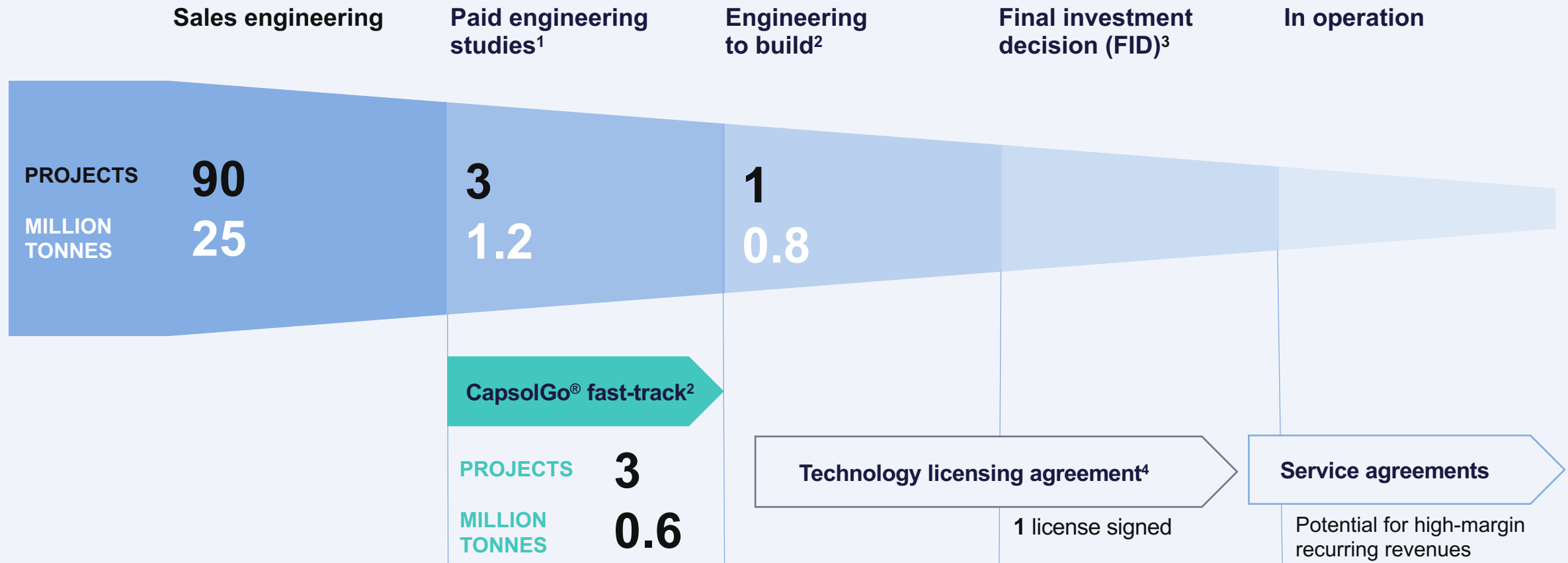


CapsolGT® for gas turbines

12,000 to 400,000+ tonnes CO₂/year

A carbon capture solution for open-cycle gas turbines, enabling additional electricity generation. Also applicable when turbines are used for other industrial applications.

Pipeline: ~100 active leads totaling more than 25 million tonnes of CO₂



Roadmap for establishing a leading market position

Winning initial projects

2022

- 2 CapsolGo® demonstration units in operation
- Patent license agreement with Stockholm Exergi for Europe's first large-scale negative emissions plant
- Secured key industrial and global commercial partners

Establishing leading position

2023-2025

- Additional CapsolGo® demonstration units
- Secure 8 small projects or more
- Secure 4 or more large-scale projects
- Potential for additional business scopes with complementary revenue

Scaling revenue

2026-2030

- Reach 5% market share
- Consider extending scope per project and explore delivery of tailor-made key equipment
- Consider full value chain service together with partners
- Consider financing entity with partners

Build organisation, key partnerships and proof of application

Grow order book and revenue

Grow margin and explore new business models

Investment highlights

50% annual CO₂ capture capacity growth required by 2030

- Path to net zero calls for minimum EUR ~21 billion of carbon capture technology capex to be sanctioned next eight years
- Key segments: cement, biomass, Energy-from-Waste, power generation and industrial plants

A competitive solution and an attractive business model

- Solutions relevant to all kinds of emitters. Proven, safe and ~40% lower capture cost¹
- Capital-light and highly scalable technology licensing model

Building a leading global carbon capture tech provider

- Targeting 5% market share, EUR 7-12/tonnes revenue² and 40-60% pre-tax margin
- Based on commercial terms currently being negotiated, Capsol's current business plan could deliver pre-tax profit of NOK 1 billion+ in 2030

Investing to establish leading position early

- Investing in test units, team, distribution and developing partnerships to capture market share
- Demonstration units deployed for proof of application

Experienced management team dedicated to create value

- Management team with 10-40 years energy and industry experience
- Dedicated professionals highly incentivised to create shareholder value



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Our vision is to accelerate the worlds
transition to a carbon negative future