



AKER CARBON  
CAPTURE

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# Q1 2021

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Fornebu, May 4, 2021

Valborg Lundegaard, CEO

# Agenda

Aker Carbon Capture in brief

Highlights

Operations and business development

Outlook

Q&A

# Aker Carbon Capture in brief

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

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**Best-in-class HSE** friendly solvent and other patented plant technologies for better all-round plant performance

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**Validated and certified** market-leading proprietary technology with more than 50,000 operating hours

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# Highlights

**Brevik CCS** started-up and progressing according to plan

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Exploring CCS development at biomass-fired heat and power plants with **Ørsted** and **Microsoft**

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MoU with **Siemens Energy** for gas power generation market

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Major UK opportunities moving forward

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Internationalizing company; establishing presence in Denmark & UK

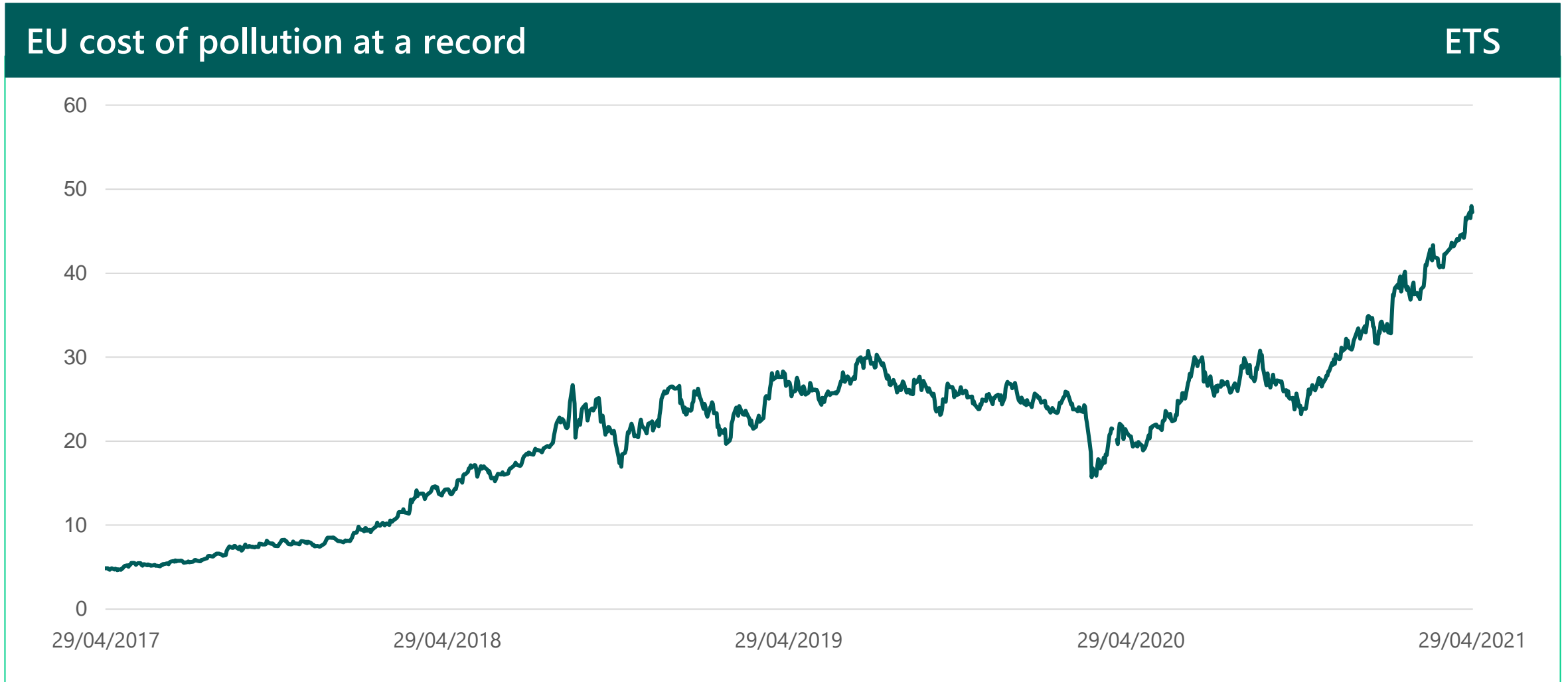
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# MoU with SINTEF

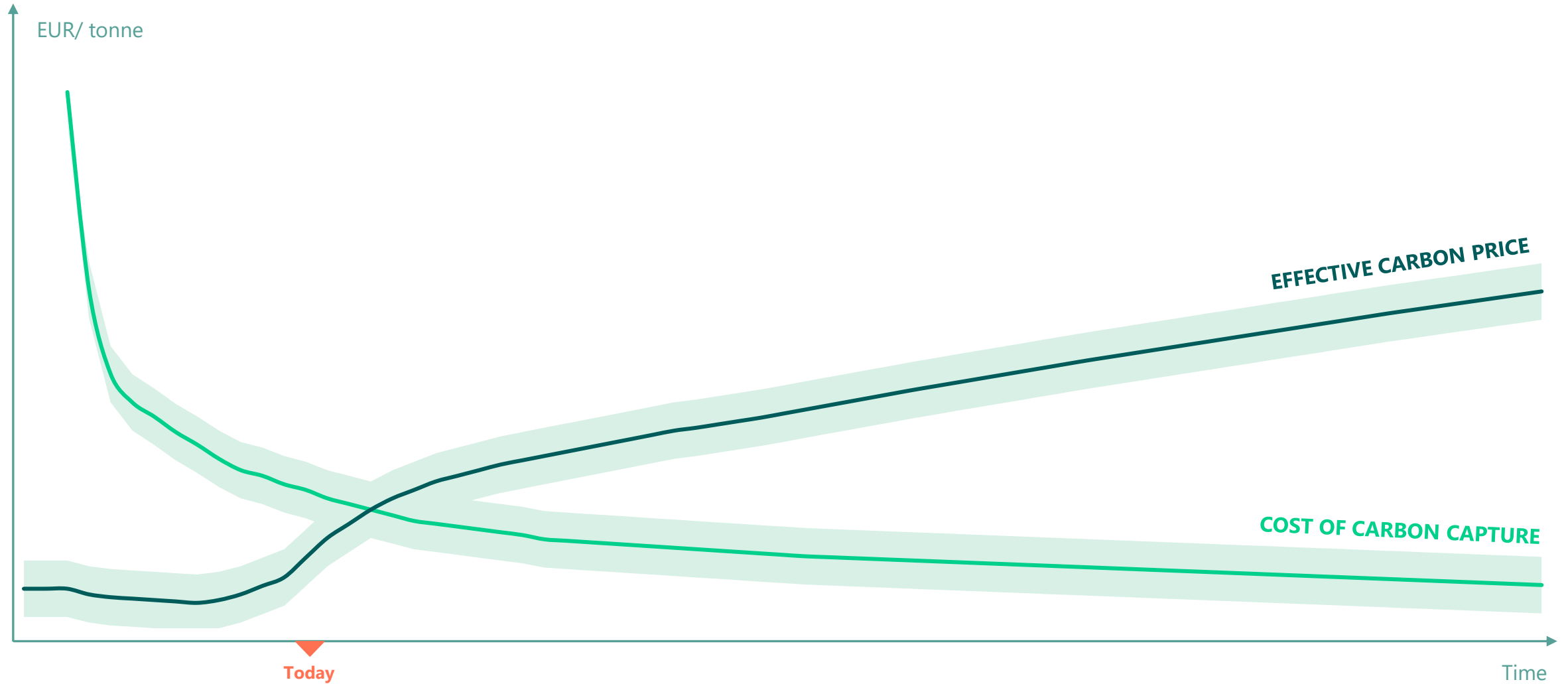
- Signed MoU to strengthen long-established relationship with one of Europe's leading research institutes and an industry authority on CCUS
- Aker Carbon Capture and SINTEF share more than 10 of joint development of CCS solutions
- Forum for technology specialists to share insight and know-how
- Broad agreement that includes SINTEF AS with its institutes Industri, Digital and Community, SINTEF Energi AS, SINTEF Manufacturing AS and SINTEF Ocean AS



# CO<sub>2</sub> prices reach record high

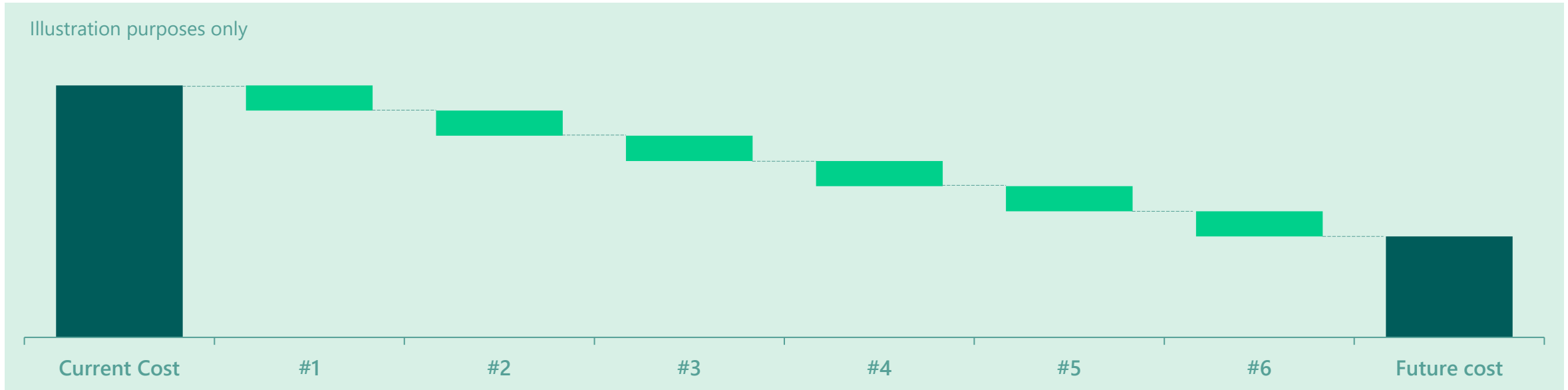


# CCS economics turning positive



# Continuous cost reductions

Illustration purposes only



#1

**Technology development:** R&D with tech partners including SINTEF, Studies

#2

**Standardization and modularization:** Just Catch and Big Catch product development

#3

**Digitalization:** Collaboration program with Aize and Cognite

#4

**Strategic partnerships:** Haldor Topsoe, MAN, Siemens Energy, HZ Inova

#5

**Long-term supply chains being established:** Brevik CCS

#6

**Learning by doing:** Brevik CCS, MTU





**Operations and business developments**



# Key markets and industries

## Main activity in Northern Europe

- Scandinavia
  - Benelux
  - UK
- ...leading the way

## Prioritized industries

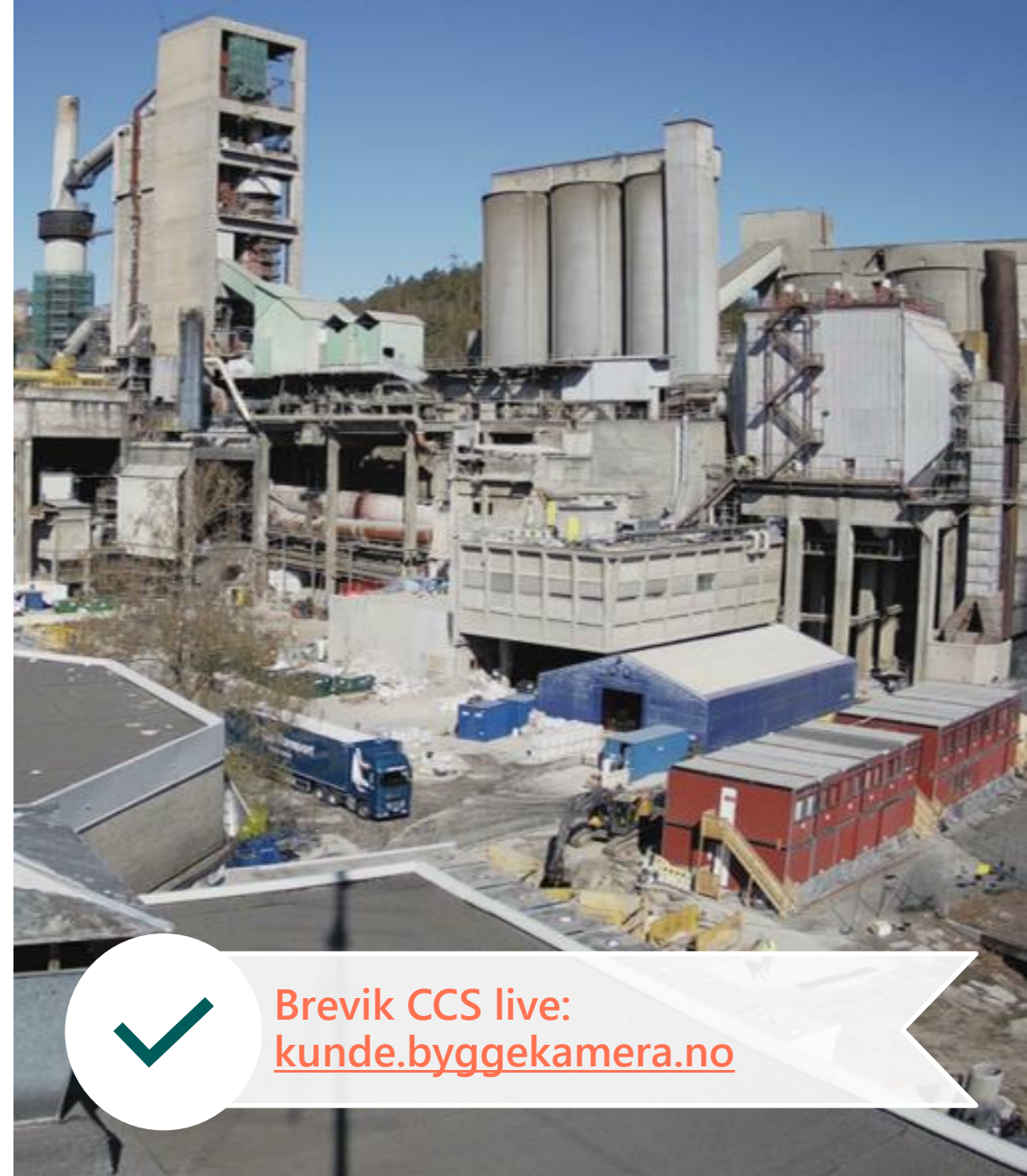
- Cement
- Bio/Waste-to-energy
- Gas-to-power
- Blue hydrogen

# Cement industry

## Brevik CCS

- Project to deliver the world's first CCS plant at a cement facility started up in Q1
- Cement industry represents 6-7% of global emissions
- Scope: EPC delivery of a complete CO<sub>2</sub> capture plant in Brevik, Norway for Norcem HeidelbergCement
- Project commenced in January
- Key milestones achieved according to plan

- 400,000 t/pa capture plant
- Contract value of ~NOK 1.7 billion
- In operation from 2024



**Brevik CCS live:**  
[kunde.bygggekamera.no](https://kunde.bygggekamera.no)



# Bio/Waste-to-energy

## Twence

- Planned start-up of the EPC project in Q3 2021 pending final governmental approval
- Aker Carbon Capture contracted to update technical documentation, project schedule and commercial conditions

## Ørsted and Microsoft

- Aker Carbon Capture, Ørsted and Microsoft signed an MoU to explore ways to support the development of carbon capture and storage at biomass-fired heat and power plants in Denmark
- Opens up for negative emissions

## Forus Energi & Lyse

- MoU to explore development of a full-scale CCS facility in Stavanger/Sandnes region in southwestern Norway



**Technology partner:  
Hitachi Zosen Inova**

# Blue hydrogen

## Aukra

- Exploring opportunities with Aker Clean Hydrogen and Aukra Municipality to establish regional blue hydrogen hub with CCS
- As part of the development Aker Carbon Capture will together with SINTEF explore new capture technology for hydrogen production units which complements our existing and qualified capture technology for blue hydrogen from steam methane reforming

## EU Market

- The European Union foresees investments of €11 billion for retrofitting half of the existing European hydrogen plants with carbon capture and storage before 2030



Technology partner:  
Haldor Topsoe



**Technology partner:  
Siemens Energy**

# Gas to power

## Major UK project opportunities progressing

### Net Zero Teesside

- BP has secured funding for first phase to accelerate development of UK's first decarbonised industrial clusters incl. power station equipped with carbon capture and storage (CCS) technology
- Aker Carbon Capture pre-qualified for carbon capture
- Design capacity ca. 2.2 million tonnes p.a. CO<sub>2</sub>

### Keadby 3

- SSE Thermal and Equinor are actively developing Keadby 3, power station equipped with carbon capture and storage (CCS) technology
- Aker Carbon Capture pre-qualified for carbon capture
- Design capacity ca. 2.0 million tonnes p.a. CO<sub>2</sub>



## Summary and outlook

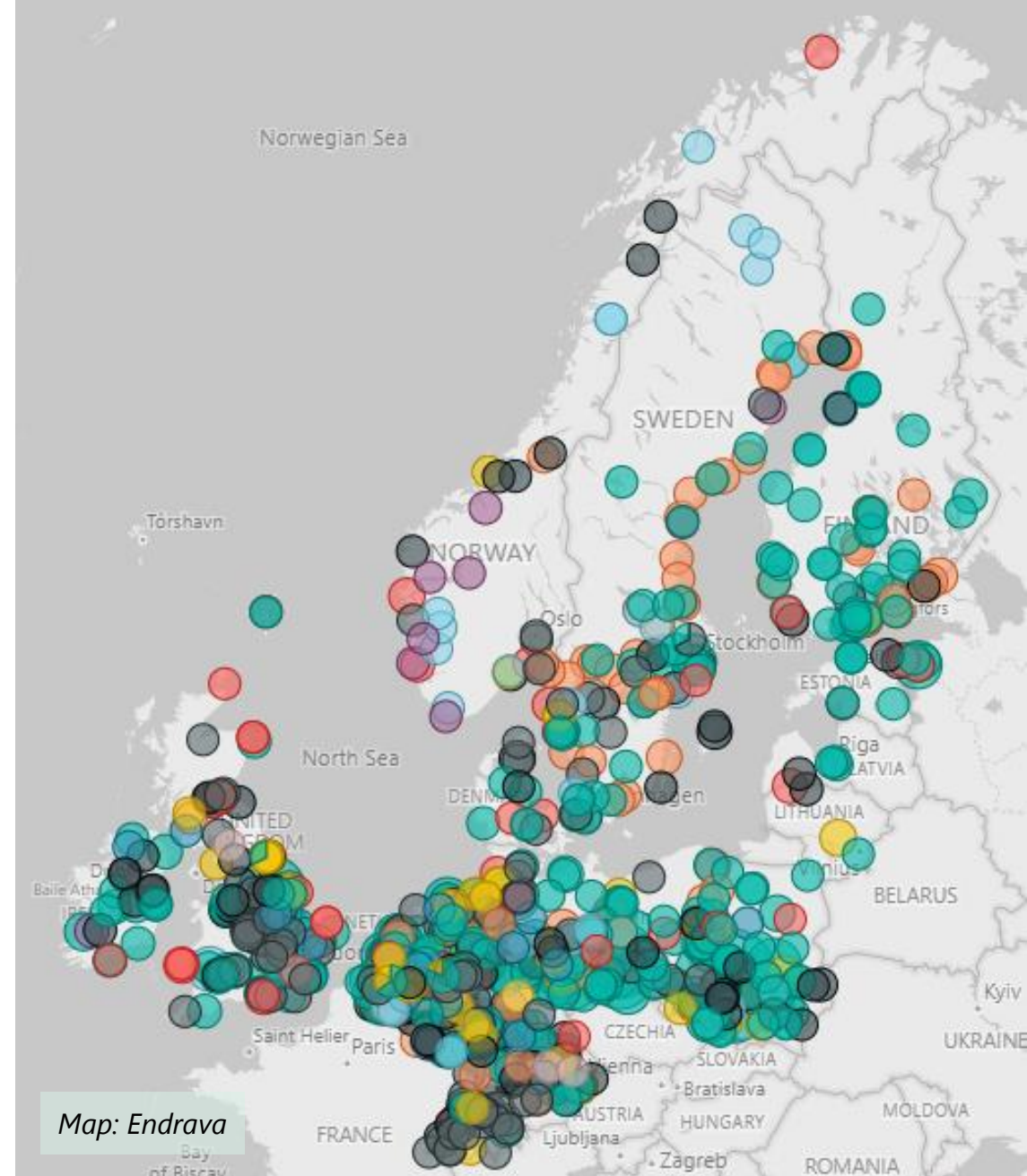
# Market outlook

## Countries

- United States to achieve a 50-52% reduction from 2005 levels in economy-wide net greenhouse gas pollution in 2030
- Canada increases 2030 emissions target to 40-45%
- Radical new climate change commitments will set the UK on course to cut carbon emissions by 78% by 2035
- Denmark's goal is 70% emissions reductions by 2030 and climate neutrality by 2050

## Aker Carbon Capture

- Over 450 industrial sites with emissions of more than 100,000 TPY in prioritized market
- High study and tender activity including support to EU Innovation Fund applications
- Accelerated developments in the UK
- Northern Lights boosting activity in Norway





# 10 in 25

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Secure contracts to capture **10** million tonnes per annum CO<sub>2</sub> by **2025**



# Outlook and priorities

Successfully deliver Brevik CCS project

Position for strategic markets through partnerships

Realize programs to drive down carbon capture costs

Continue to develop opportunities in prioritized markets



Q&A

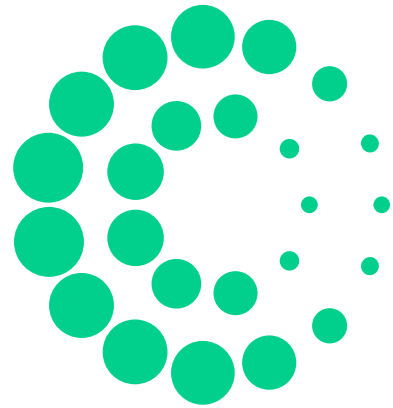
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# Appendices

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P&L   ●   Balance sheet   ●   Cash flow

# Condensed consolidated income statement

<i>Amounts in NOK thousand</i>	<b>Full year 2020</b>	<b>Q1 2021</b>
Revenues	15 802	63 452
Materials, goods and services	(9 955)	(62 811)
Salary and other personnel costs	(21 147)	(8 007)
Other operating expenses	(27 400)	(15 298)
Depreciation	(1 881)	(1 334)
<b>Operating profit (loss)</b>	<b>(44 581)</b>	<b>(23 998)</b>
Financial income	462	391
Financial expenses	(341)	(219)
<b>Net financial items</b>	<b>121</b>	<b>172</b>
<b>Profit (loss) before tax</b>	<b>(44 460)</b>	<b>(23 826)</b>
Income tax benefit (expense)	-	-
<b>Net profit (loss)</b>	<b>(44 460)</b>	<b>(23 826)</b>
Earnings (loss) per share in NOK (basic and diluted)	0.09	0.05

# Condensed consolidated balance sheet

<i>Amounts in NOK thousand</i>	<b>Dec 31, 2020</b>	<b>Mar 31, 2021</b>
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	2 610	3 597
Intangible assets	3 792	3 884
Right-of-use assets	13 184	11 928
<b>Total non-current assets</b>	<b>19 586</b>	<b>19 410</b>
<b>Current assets</b>		
Trade and other receivables	7 196	202 643
Cash and cash equivalents	457 699	483 666
<b>Total current assets</b>	<b>464 896</b>	<b>686 309</b>
<b>Total assets</b>	<b>484 481</b>	<b>705 719</b>

<i>Amounts in NOK thousand</i>	<b>Dec 31, 2020</b>	<b>Mar 31, 2021</b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Share capital	566 060	566 060
Other paid-in capital	(114 200)	(138 026)
<b>Total equity</b>	<b>451 860</b>	<b>428 035</b>
<b>Non-current liabilities</b>		
Pension liabilities	2 849	2 849
Non-current lease liabilities	9 272	7 896
<b>Total non-current liabilities</b>	<b>12 121</b>	<b>10 745</b>
<b>Current liabilities</b>		
Current lease liabilities	4 908	5 393
Trade and other payables	15 592	261 547
<b>Total current liabilities</b>	<b>20 500</b>	<b>266 939</b>
<b>Total equity and liabilities</b>	<b>484 481</b>	<b>705 719</b>



# Condensed consolidated cash flow statement

<i>Amounts in NOK thousand</i>	<b>Full year 2020</b>	<b>Q1 2021</b>
Profit before tax	(44 460)	(23 826)
<i>Adjustment for:</i>		
Amortisation and depreciation	1 881	1 334
Changes in net current operating assets	16 728	50 508
Accrued interest and foreign exchange	308	174
<b>Cash flow from operating activities</b>	<b>(25 545)</b>	<b>28 190</b>
Acquisition of property, plant and equipment	(376)	(1 158)
Payments for capitalized development	(2 142)	-
<b>Cash flow from investing activities</b>	<b>(2 518)</b>	<b>(1 158)</b>
Payment of finance lease liabilities	(1 192)	(1 066)
Proceeds from share issues	500 000	-
Transaction costs related to share issues	(12 489)	-
Purchase of treasury shares	(1 859)	-
Sale of treasury shares	1 302	-
<b>Net cash flow</b>	<b>457 699</b>	<b>25 967</b>
Cash and cash equivalent at the beginning of the period	-	457 699
<b>Cash and cash equivalent at the end of the period</b>	<b>457 699</b>	<b>483 666</b>