

Press Release

Oslo, Norway – August 27, 2024

Capsol Technologies ASA – Q2 2024: Biomass and cement driving demand in Europe – achieved key growth milestones in gas turbines and North America

Capsol Technologies ASA, a provider of carbon capture technology to large emitters, today announced its results for Q2 and first half 2024.

Increased demand and target price range

- Mature project pipeline expanded to 13 million tons of annual CO₂ capture capacity, up 2x year-over-year driven by biomass/BECCS and increasingly cement in Europe.
- Target price range increased during the quarter to EUR 10-15 per ton installed CO₂ capture capacity, compared to EUR 7-12 per ton previously.
- Microsoft and Alphabet/Meta backed fund agreed to buy permanent carbon removals from Capsol client Stockholm Exergi; EU-approved Swedish funding mechanism in July 2024.

High Q2 activity level; studies confirming very competitive energy consumption

- Delivered two cement studies, for SCHWENK and Holcim, and four biomass/energy-from-waste studies during and post quarter.
 - Recent studies in the cement industry have shown energy consumption numbers as low as 0.55 GJ/ton with limited plant integration, and as low as 0.25 GJ/ton CO₂ captured with more heat integration.
 - Order for two CapsolGo[®] demonstration campaigns from SCHWENK within cement received in August.
 - Third CapsolGo[®] demonstration unit started operations at Växjö Energi's biomass plant in Sweden.
 - Study delivered to a leading gas turbine provider confirmed that CapsolGT[®] can offer the industry's lowest carbon capture cost – and even be profit-generating for emitters.
- **Entered North America and uplisted to Euronext Oslo Børs**
 - Successfully raised net proceeds of NOK 109 million in H1 2024, being deployed in attractive growth opportunities including new markets, new solutions and new revenue streams including establishing an operation in North America, commercialization of CapsolGT[®] and expanding the CapsolGo[®] fleet.
 - Opened an office in North America to establish a position in the world's largest carbon capture and storage (CCS) market.
 - Listed on Euronext Oslo Børs to make the stock more accessible to global investors.
 - Current business plan fully funded with committed engineering work, demonstration campaigns and a NOK 92.6 million cash balance.
 - “On the back of successfully raising capital in the first half of 2024, we will continue to invest in the Capsol technology portfolio to build on our competitive edge. In parallel, we will expand our capacity and presence to meet the growing global demand for efficient carbon capture solutions towards 2030 and beyond. Driven by ambitious climate targets, attractive government-backed incentives, increased activity in voluntary carbon markets

and rapid development of transport and storage capacity, North America and Europe continue to lead large-scale CCS deployment. With a pipeline of mature projects exceeding 13 million tons of carbon capture capacity, we have established a strong position within biomass/BECCS and are responding to the growing demand for cement plants in Europe. Now, we are taking our highly scalable business model to North America where we opened our new office during Q2 2024,” said Wendy Lam, CEO of Capsol Technologies.

Total operating income in Q2 2024 was NOK 17 million (NOK 5.7 million in Q2 2023) and NOK 36.5 million for H1 2024 (NOK 6.6 million for H1 2023). Pre-tax profit was NOK -22.1 million in the quarter (NOK -12.3 million in Q2 2023) and NOK -27.1 million for H1 2024 (NOK -24.9 million for H1 2023).

The company held NOK 92.6 million in cash and cash equivalent by the end of Q2 2024 (NOK 33.6 million).

The Q2 and first half 2024 report and presentation are attached and also available on <https://capsoltechnologies.com/investors>.

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About Capsol Technologies

Capsol Technologies ASA is a carbon capture technology provider with a goal of accelerating the transition to a net zero future. The technology combines inherent heat recovery and generation in a stand-alone unit based on a proven and safe solvent. Capsol’s technology is licensed either directly to customers or through industrial partners globally. Key segments include cement, biomass, energy-from-waste and gas turbines. Capsol Technologies is listed on Euronext Oslo Børs (ticker: CAPSL). For more information visit capsoltechnologies.com.

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