capsol technologies

Annual report 2024

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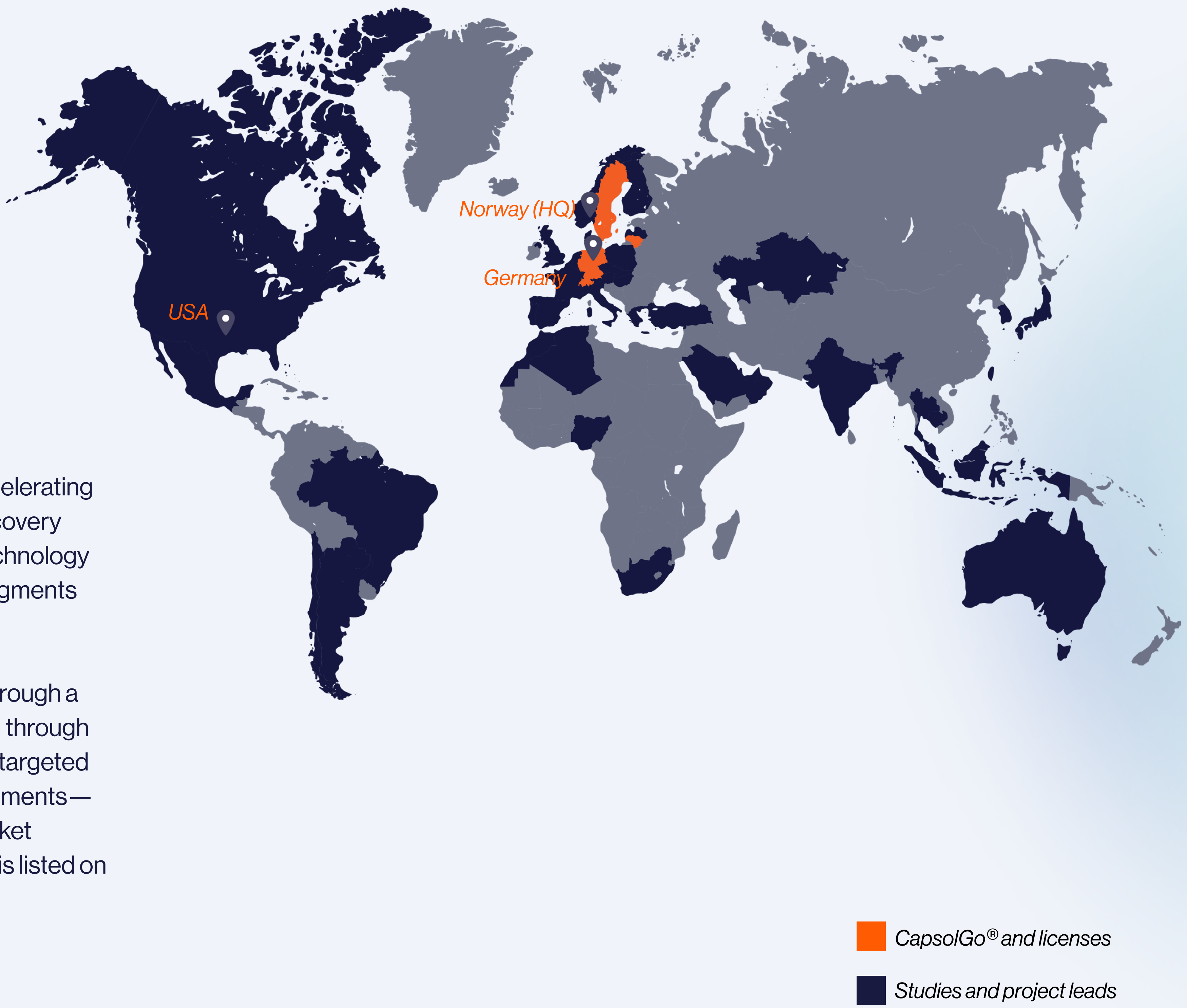


Capsol Technologies ASA is a carbon capture technology provider with a goal of accelerating the world's transition to a net zero future. The technology combines inherent heat recovery and generation in a stand-alone unit based on a proven and safe solvent. Capsol's technology is licensed either directly to customers or through industrial partners globally. Key segments include cement, biomass, energy-from-waste and gas turbines.

Capsol's strategy is built on delivering its cost-efficient carbon capture technology through a scalable, high-margin licensing model, targeting long-term growth and value creation through expansion across products, industries, and markets. In 2024, the company raised its targeted licensing revenue to EUR 10–15 per tonnes installed capacity, reflecting recent agreements—up from EUR 7–12 previously. Capsol reinvests its revenues to establish a leading market position, with a long-term pre-tax margin ambition of 40–60%. Capsol Technologies is listed on Euronext Oslo Børs (ticker: CAPSL).

Main highlights

- **Capsol Technologies' mature project pipeline expanded by 45%** to 17.2 million tonnes of CO_2 capture capacity in 2024, outpacing industry growth
- **EUR 260 million in potential licensing revenue** from projects in the pipeline
- **80% of projects with visibility to FID in 2025–2027**, supporting strong commercial momentum
- **20–60% lower levelized capture cost than amine-based solutions**, enabled by superior energy efficiency and lower complexity
- **Emerging as a preferred carbon capture technology** for biomass, energy-from-waste, and cement industries
- **Booked first technology licensing revenue from Stockholm Exergi**, which is developing the world's first large-scale BECCS project using Capsol's technology
- **Raised NOK 109 million in net proceeds in H1 2024** to accelerate growth and expand market opportunities
- **Listed on Euronext Oslo Børs in June 2024** with the intent to make the company's value creation journey more accessible to international investors
- **Formed a new International Advisory Board** with experienced executives from US, UK, Sweden and Norway
- **Expanded market presence with a new North American office**, strengthening Capsol's position in the world's largest CCS market
- **Completed first pre-FEED study for CapsolGT®**, validating it as a low-cost carbon capture solution for open cycle gas turbines—with potential to generate net-positive returns for users, including AI data centers
- **Advancing breakthrough R&D with customers and partners** to enhance performance and position Capsol as a long-term value partner for emitters

Key Figures

	2024	2023
Amounts in NOK million		
Total operating income	**94.2**	34.2
Pre-tax profit	**-32.8**	-43.4
Net cash flow from operating activities	**-30.6**	-4.9
Net cash flow from investing activities	**-31.4**	-51.3
Net cash flow from financing activities	**84.0**	39.2
Cash and cash equivalents at the end of the period	**64.4**	41.6
Basic and diluted earnings per share	**-0.54**	-0.81

The value shift in carbon capture

When I recently asked a client's CEO why they are investing in carbon capture and storage (CCS), the answer was immediate: "Our customers are demanding a decarbonized product."

Industrial emitters are no longer asking whether to cut emissions, but how. As demand continues to build, Capsol is scaling solutions that make carbon capture more accessible, profitable and impactful —turning decarbonization into a competitive advantage.

When I recently asked a client's CEO why they are investing in carbon capture and storage (CCS), the answer was immediate: "Our customers are demanding a decarbonized product."

The business case for CCS is strengthening. Capsol's lower capture costs, driven by energy efficiency and process simplicity, can already make many projects profitable. As the carbon capture value chain matures, increasing economies of scale in transportation and storage will further improve project economics. At the same time, broader industry dynamics—such as the maturing carbon removal credit market, expected higher carbon prices and the rising demand for low carbon products with price premiums—are reinforcing the case for decarbonization and driving adoption.

Building an industry leader

Our strategy is clear: we license our innovative, heat-generating carbon capture technology in the form of full-scale plant design to capture 100,000 to over 1 million tonnes of CO_2 per year. By significantly reducing electricity consumption, we enable large-scale carbon capture at a lower cost.

Capsol has reached a commercial inflection point in biomass, energy-from-waste, and cement, where we are emerging as a preferred carbon capture technology over industry incumbents. With the largest team dedicated to Hot Potassium Carbonate (HPC) post-combustion carbon capture, partnerships with industry pioneers, and a presence in key growth markets in Europe and North America, we are positioned for leadership. Our long-term ambition is a 5–10% market share in technology licensing, with expected revenues of EUR 10–15 per tonnes CO_2 captured and a pre-tax profit margin of 40–60%.

Momentum is building. Our mature project pipeline grew 45% to 17.2 million tonnes of CO_2 capture capacity last year, representing EUR 260 million in potential licensing revenue. Within the next three years, 80% of this pipeline could reach Final Investment Decision (FID).

Expanding our offering and market reach

In 2024, we further developed our carbon capture technologies to meet the needs of an even broader range of large-scale emitters.

A key milestone was the completion of the first pre-FEED study for CapsolGT®, our solution for CO_2 capture from simple cycle gas turbines. Validated for its ability to provide a low-cost carbon capture solution while generating additional electricity, CapsolGT® has the potential to generate net-positive returns for emitters and support low-carbon power generation with simple cycle gas turbines.

We also established a presence in North America, the world's largest CCS market, in line with our global expansion strategy.

Strategic partnerships remain central to our approach. Over the past year, we have strengthened collaborations with Petrofac, Storegga,

Sumitomo SHI FW, Siemens Energy, GE Vernova, and Munters enabling us to accelerate technology development, optimize costs, and scale adoption.

Bio-CCS: look to Sweden

A major milestone in 2024 was Capsol's first technology licensing revenue, booked from Stockholm Exergi, which is developing the world's first large-scale bioenergy with carbon capture and storage (BECCS) project using our technology.

Stockholm Exergi is on track to reach FID this year. Achieving this milestone will be a critical validation of Capsol's technology, strengthening confidence among other clients.

This flagship project demonstrates how negative emissions at scale are becoming a reality. It has been made possible by a growing carbon removal credit market, well-structured government support, and cost-efficient capture technology—and is a project being closely followed by biomass and energy-from-waste plants worldwide.

Market momentum

The business case for carbon capture is becoming more market driven. BloombergNEF (BNEF) forecasts that EU carbon prices (ETS) will rise from ~EUR 70 today to EUR 135–155 per tonnes by 2030, further strengthening the financial rationale for CCS.

In February 2025, the European Commission announced the Clean Industrial Deal, which integrates climate action with industrial competitiveness under one overarching growth strategy. This commitment to decarbonization, reindustrialization, and innovation provides further tailwinds for carbon capture adoption. Acceptance of price premiums for low carbon products is also rising. A McKinsey survey of over 100 buyers and suppliers found that demand for low carbon materials is expected to increase between 1.7 to 4.5 times current levels by 2030. This willingness to pay along with increasing government criteria for public procurement to buy lower-carbon products reinforces the long-term demand for CCS.

Strengthening our platform for value creation

As we move into 2025, our focus remains on:

- Scaling commercial success by securing additional technology licensing agreements and maturing customer projects with engineering and onsite demonstrations
- Strengthening partnerships to drive innovation and expand market reach
- Enhancing our technology platform to deliver more value to emitters

To support this, we are beginning to develop high-value recurring revenue services, including digital monitoring, performance tracking, solvent services, additive development, and expert support.

The progress we made in 2024—and the opportunities ahead—would not be possible without our customers, employees, shareholders, partners, suppliers, and stakeholders across the CCS value chain.

I look forward to continuing this journey together - decarbonizing industry with competitive and innovative solutions.

Wendy Lam, CEO of Capsol Technologies ASA

Efficient, scalable carbon capture

Capsol Technologies provides cost-efficient, scalable carbon capture solutions designed for large industrial emitters. The Company's post-combustion technology integrates heat recovery and generation in a stand-alone unit, significantly reducing energy consumption compared to traditional amine-based solutions. Capsol's technology is built on Hot Potassium Carbonate (HPC), a safe and environmentally friendly solvent with a long industrial track record, simplifying permitting and reducing operational risks.

Capsol's solutions achieve 90–95% CO_2 capture efficiency across a wide range of industries. The company's portfolio includes CapsolGo®, CapsolEoP®, and CapsolGT®, covering demonstration, large-scale end-of-pipe capture and gas turbine applications. The technology is designed to be highly retrofittable, enabling large emitters to integrate carbon capture into existing facilities with minimal modifications.

CapsolGo®

Accelerating investment decisions

CapsolGo® is a mobile carbon capture demonstration unit that allows emitters to test Capsol's technology on-site before committing to full-scale implementation. The all-inclusive package covers transport, installation, operation and reporting, providing customers with valuable real-world performance data on their specific flue gas composition including liquefaction.

By demonstrating capture effectiveness, energy efficiency and solvent performance, CapsolGo® helps emitters de-risk their investment decisions and build internal and external stakeholder confidence in carbon capture. It also supports funding applications by providing independent third-party validation.

Key advantages:

- Capture capacity: up to 700 tonnes of CO_2 per year
- Third-party validation: independent testing strengthens financial and regulatory cases
- Supports multiple industries: suitable for cement, biomass, energy-from-waste (EfW), power generation and heavy industry

CapsolGo® is a proven tool for accelerating carbon capture adoption, enabling emitters to validate the technology, train personnel and streamline the path to Final Investment Decision (FID).

CapsolEoP®

Flexible, large-scale decarbonization

CapsolEoP® (end-of-pipe) is a full-scale, post-combustion carbon capture solution designed for large industrial emitters across cement, biomass, EfW, power generation and process industries. It is a stand-alone, end-of-pipe system that can be retrofitted to existing plants with minimal operational impact.

By utilizing integrated heat recovery, CapsolEoP® reduces electricity consumption compared to amine-based solutions. The system is highly adaptable, offering configurations that can generate surplus heat output for district heating applications in bioenergy and energy-from-waste plants.

Key advantages

- Broad industry applicability: handles flue gas CO_2 concentrations from 3% to 30%
- Industry-standard purity: delivers 99%+ CO_2 purity, meeting storage and utilization requirements
- Energy-efficient operation: low energy demand (0.5–1.5 GJ/tonnes CO_2 captured)

CapsolEoP® is commercially proven, with more than 17,000 operating hours across Capsol's units and pilot projects, positioning it as a preferred technology for cost-effective carbon capture.

CapsolGT®

Cost-competitive carbon capture for gas turbines

CapsolGT® is an energy-efficient carbon capture solution for gas turbines, designed to operate without the need for external steam supply. By utilizing waste heat from the turbine exhaust, CapsolGT® generates its own process energy, making it a cost-competitive option for low-carbon gas power generation.

This stand-alone solution is optimized for simple cycle gas turbines but is also applicable to gas engines, diesel generators and other industrial facilities with high-temperature exhaust streams. Unlike amine-based methods, CapsolGT® reduces complexity while generating low carbon energy.

Key advantages:

- Surplus electricity generation: produces additional power while capturing CO_2
- Wide compatibility: works with aeroderivative and industrial gas turbines (2–120 MW capacity)
- Industry collaborations: developed with leading turbine manufacturers

CapsolGT® enables cost-effective decarbonization of gas-fired power and industrial heat generation, providing a scalable and flexible pathway to meet emissions reduction targets.

Stockholm Exergi

The biomass-powered combined heat and power plant (CHP) Värtaverket in Stockholm, Sweden, was Capsol's first license agreement for CapsolEoP®. With a full-scale deployment of 800,000 tonnes of CO_2 per year, Värtaverket will likely be Europe's first large-scale negative emissions plant. The project, with Capsol's technology, has been validated through several significant milestones, including:

- An EU Innovation Fund grant of EUR 180 million in April 2022
- Environmental permit approval by Sweden's Land and Environmental Court in April 2024
- An offtake agreement where Microsoft committed to acquire 3.33 million tonnes of permanent carbon removals in May 2024
- An offtake agreement where Frontier committed to acquire carbon removals worth USD 49 million in June 2024

After the reporting period, in January 2025, the Swedish Energy Agency committed SEK 20 billion (EUR 1.7 billion) in funding over a 15-year period. With the recent award made by the Swedish government, the final investment decision (FID) for the BECCS project is expected to happen "as soon as possible in 2025" according to Stockholm Exergi's latest communications.

Capsol Technologies visit to Stockholm Exergi October 2024.

Other projects

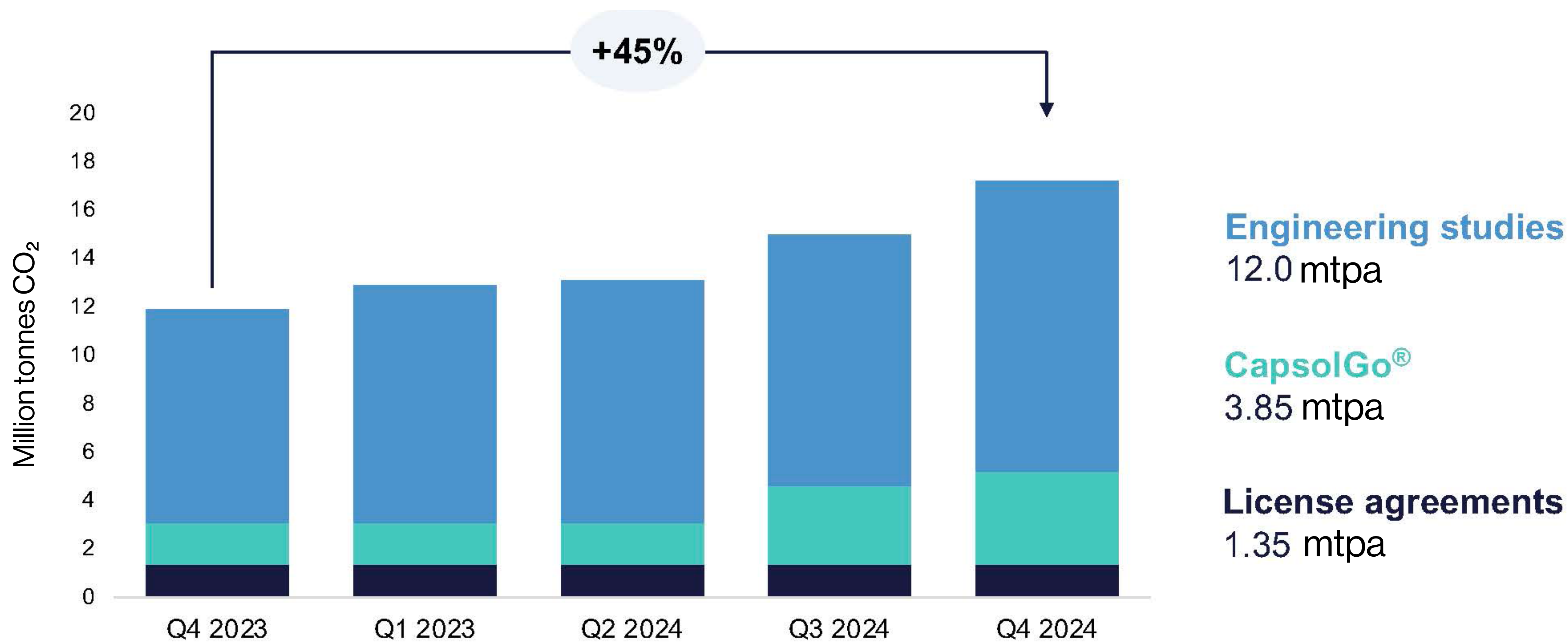
During 2024, Capsol matured a number of carbon capture projects. In what is defined as the company's mature pipeline, there are more than 30 projects representing installed capacity of more than 17 million tonnes of CO_2 per annum if built, of which three projects of 1.35 million tonnes represent signed license agreements to date.

To qualify for inclusion in the mature pipeline there must be either a signed license agreement, a CapsolGo® campaign or signed/delivered engineering studies. Engineering studies include Concept, Feasibility and (pre-)FEED (front-end engineering and design) studies with paid engineering work or other project specific work more advanced than "sales engineering".

If all these projects were built, they would represent a licensing revenue potential of up to EUR 260 million with close to a 100% pre-tax margin on the project level. This is based on an installed capture capacity of 17.2 million tonnes, with revenue of EUR 15 per tonne.

Strong traction driven by demand and competiveness

17 mt mature pipeline at end of Q4 2024 representig up to EUR ~260 m pre-tax potential



Engineering studies include Concept, Feasibility and pre-FEED (front-end engineering and design) studies with paid engineering work or other project specific work more advance than "sales engineering". Mtpa= million tonnes per annum.

Management

Ingar Bergh
Chief Financial Officer

>15 years of experience as advisor and executive in the energy and shipping sectors. Engineering degree, MS in Supply Chain Management, MBA Finance, Authorized Financial Analyst (CEFA).

Wendy Lam
Chief Executive Officer

>20 years of global leadership experience from international companies such as Baker Hughes, Rolls-Royce, and GE. MBA, INSEAD and Mechanical & Industrial engineering degrees, University of Waterloo and University of Toronto.

Philipp Staggat
Chief Product Officer

>10 years at Siemens, including lead commissioning engineer and project manager. BS Engineering, Berlin University of Applied Sciences and MBA, London Business School.

Johan Jungholm
Chief Business Development Officer

>10 years in executive business development and sales roles and 15 years in energy sector. BA in Geology and Environmental Science, University of Pennsylvania.

Sam Thivolle
Chief Delivery Officer

>20 years in the upstream oil&gas sector, and extensive experience in CCS. MBA (INSEAD); MS Petroleum Economics, IFP; ME Petroleum Engineering, Texas A&M; MS Chemical Engineering, Chimie ParisTech.

Cato Christiansen
Chief Technology Officer

>20 years of experience from Shell, SPT Group and the Norwegian Ministry of Petroleum and Energy (Carbon Capture and Storage). PhD in Mechanical Engineering, NTNU.

Robin Bodtmann
Managing Director Americas

>30 years of experience (Wood, Amec and Air Liquide), including delivering EPC projects. BS Biological Sciences, UNC Chapel Hill; BS Construction Management, ECU; MBA, Rice University.

Board of Directors

Endre Ording Sund

Chair of the Board

>40 years with management and board positions in the energy, banking and shipping sector. Royal Navy Academy, Norwegian School of Management, Harvard Business School.

Ellen Merete Hanetho

Board Member

Experience from Brussels Stock Exchange, Citibank, Goldman Sachs, Credo Partners, Frigaardgruppen and Cercis. BSBA, Boston University, MBA, Solvay University, executive training, INSEAD and Harvard Business School.

Wayne G. Thomson

Board Member

Extensive international career as a top executive within oil and gas, former Chairman of Svante Inc. BS in Mechanical Engineering, University of Manitoba.

John Arne Ulvan

Board Member

Extensive career as a top executive with strong results from national, international and listed companies. MS In Chemistry/Chemical Engineering, NTNU.

Monika Inde Zsak

Board Member

Extensive career within energy, renewables, sustainability. MS in industrial engineering and finance, NTNU and University of New South Wales, Australia (UNSW).

Advisory Board

Chris Barkey

Former Group Director, Engineering & Technology for Rolls-Royce plc. and a CTO for Baker Hughes.

Morgan Bazilian

Director of the Payne Institute for Public Policy and Professor at the Colorado School of Mines. Worked with World Bank, United Nations, EU.

Ian Dunderdale

Experienced energy sector executive leader with experience from Baker Hughes, Gaffney Kline, Halliburton.

Jing Jin

Vice President of Clean Technologies at Munters, leading Munter's carbon capture initiative.

Jan Kielland

Former CEO of Capsol Technologies. Previous management and board positions in the energy sector.

Stéphanie Saunier

Managing Director of Carbon Limits, Independent Board Member for Carmeuse, an international lime producer.

Board of Directors' report

Introduction

Capsol Technologies is a carbon capture technology provider based in Oslo, Norway, with offices in the U.S. and Germany committed to accelerating the transition to a net zero future. The company's energy-efficient, cost-competitive and environmentally friendly solutions are licensed out either directly to customers or through industrial partners globally. Carbon capture enables industrial facilities to remove CO_2 from its production process flue gases, thus preventing the CO_2 from being emitted into the atmosphere. The captured CO_2 can either be utilized or permanently stored. The carbon capture market is experiencing increased activity and is expected to grow rapidly driven by the world's need to curb CO_2 emissions, limit global warming, and avoid irreversible climate change and an increasingly strong business case for emitters to invest in CCS. Capsol's commercially available carbon capture technologies offer three distinct advantages:

- **Inherent heat recovery** enhances energy efficiency, lowers operational costs, and enables an additional revenue stream for district heating installations
- **Stand-alone capture unit** simplifies integration, reducing both capital expenditures and integration risks
- **Non-toxic, near non-degradable solvent** with superior Health, Safety, and Environmental (HSE) performance simplifies permitting

Capsol's current key segments include cement, biomass, energy-from-waste and gas turbines.

Strategy and development

Capsol is targeting significant long-term growth and value creation with a scalable technology licensing model. The company's ambition is a 5–10% carbon capture technology licensing market share in 2030, EUR 10–15 in licensing revenue per tonnes installed capacity and a 40–60% pre-tax profit margin. Capsol's strategy is to focus on hard-to-abate industries where its technologies have significant competitive advantages and engage in partnerships with leading companies globally to further improve value propositions and extend reach.

Capsol completed its uplisting to the Oslo Stock Exchange (Oslo Børs) in June 2024, with the intent to make the company's value creation journey more accessible to international investors.

For 2025, the company's strategic focus across functions is as follows:

Strategy: deepen strategic partnerships and explore business model expansion.

Product and technology: mature current products based on a common technology platform, invest in continued R&D, and develop future new products and services to increase client value creation, broaden the addressable market and grow Capsol revenue per project.

Engineering and implementation: increase engineering capacity, streamline delivery model and utilize automation to convert more opportunities to sales.

Sales and marketing: continue to progress projects with large industrial clients, reinforce brand awareness and strength, and expand presence in high growth industries and markets where Capsol can be competitive.

Finance and capital markets: maintain cost discipline, ensure access to capital at a fair cost and optimize investment levels and capital allocation to maximize long-term value creation.

Product development

Capsol Technologies continuously invests in R&D, leveraging the HPC R&D Center to enhance its product portfolio and meet the needs of large emitters.

CapsolGo®—expanding mobile carbon capture demonstrations

CapsolGo® is a mobile carbon capture demonstration unit designed to accelerate investment decisions by allowing emitters to verify Capsol's technology on their own facilities flue gas before committing to a full-scale plant. It also serves as a powerful tool for demonstrating safe carbon capture to various stakeholders.

CapsolGo® comes as an all-inclusive package, covering transport, installation, de-installation, operation, and independent reporting. In 2024, Capsol expanded its portfolio with one unit increasing its total fleet to three CapsolGo® units which are deployed on customer sites. At the time of Q4 2024 reporting, 70% of the total CapsolGo® capacity for 2025 was booked.

CapsolGT®—advancing a viable carbon capture solution for gas turbines

CapsolGT® is developed in collaboration with leading gas turbine manufacturers. Initial studies suggest that CapsolGT® could make carbon capture from gas power plants financially viable, and even revenue-generating, while enabling clean, reliable, and affordable electricity for data centers. The technology is also adaptable to various industrial applications, including gas engines, diesel generators, and other facilities that generate hot waste-heat streams.

In June 2024, Capsol Technologies and Audubon announced positive results for the first pre-FEED study of CapsolGT® executed on behalf of a globally leading provider of gas turbines. The study proved the technology's performance and efficiency even in the most challenging environments, confirming that CapsolGT® can offer the industry's lowest carbon capture cost—for owners of gas power plants and other industrial applications of open-cycle gas turbines across North America and the Middle East.

Technology development

Capsol is advancing multiple initiatives to enhance its technology platform and deliver greater value to clients. Leveraging its extensive project data and client network, the company aims to be a trusted partner throughout the full project lifecycle. This is expected to enable future recurring revenue on a per-tonnes-captured basis, complementing the existing up-front license fees.

Additional high value services that are being explored or developed include digital monitoring and performance tracking, solvent supply, and additive development, as well as expert services across projects, commissioning, and

operations. Furthermore, Capsol is advancing existing collaborations, including the joint R&D program with Munters AB to explore optimization and supply of key equipment together with the technology license.

As part of its R&D efforts, Capsol entered a project with Stockholm Exergi, KTH Royal Institute of Technology and AirZyme in December 2024 to develop a bio-based additative for accelerated carbon capture and release. The project has been awarded a grant from the Swedish Energy Agency totaling SEK 7 million over two years.

Capsol Technologies' aims to establish itself as a center of excellence within the carbon capture industry.

Organization

Capsol Technologies' aims to establish itself as a center of excellence within the carbon capture industry. This goal is supported by a company culture that fosters ambition, enthusiasm, and innovation, guided by integrity and respect.

In 2024, Capsol expanded its organizational capacity, strengthening its presence in key markets and enhancing its delivery capabilities. Notable hires in the U.S. and Germany contributed to this growth. By the end of the year, the company had 34 employees and three contractors.

Capsol is committed to non-discrimination and equal opportunity, principles reflected across the organization. Women made up 35% of the workforce and held 29% of senior managementl positions. The team represents 16 nationalities and a diverse range of competencies.

Endre O. Sund (b. 1950), Chair of the Board of Capsol Technologies, has notified the Nomination Committee that he will not seek re-election when his term concludes in 2025. Sund has been an integral part of Capsol's growth journey since joining the Board of Directors in 2018 and serving as Chair since 2020. Einar Chr. Lange resigned as a Board Member following the Annual General Meeting on May 8, 2024. Lange served as a Board Member of Capsol since 2015.

Subsequent events

On February 27, 2025, Capsol Technologies ASA's nomination committee proposed Chris Barkey as New Chair of the Board to succeed Endre Ording Sund, who previously announced he will step down upon the conclusion of his term in 2025. The nomination of the new Chair will be presented for shareholder approval at the Annual General Meeting on May 21, 2025.

On January 27, 2025, Stockholm Exergi, the first large-scale project with Capsol's technology, was awarded EUR 1.7 billion by the Swedish government in the Swedish Energy Agency's reverse auction for BECCS. With the award by the Swedish government, the final investment decision (FID) for the BECCS project is expected to happen as soon as possible in 2025, initiating the construction of the carbon capture plant and associated infrastructure.

On January 15, 2025, Capsol Technologies was awarded an Engineering Services Agreement for a pre-FEED (Front-End Engineering Design) study for the CapsolEoP® (end-of-pipe) carbon capture technology at a cement plant in Europe. The study is for a plant aiming to capture 600,000 tonnes of CO_2 per annum.

On January 13, 2025, Capsol Technologies' first of two CapsolGo® demonstrations campaigns for cement producer SCHWENK commenced operations at the Akmenės cement plant in Lithuania. Following the demonstration campaign at the Akmenės plant, the CapsolGo® unit will be transferred to SCHWENK's Brocēni cement plant in Latvia, where a previous Capsol feasibility study was conducted in 2024.

Sustainability

Capsol Technologies' vision is to accelerate the global transition to a net zero future—and to do so by providing energy-efficient and safe carbon capture technologies. In line with this mission, the company contributes to the United Nations' Sustainable Development Goals (SDGs), particularly SDG 13: Climate Action. Further details on Capsol Technologies' sustainability efforts can be found in the ESG Reporting chapter of the Annual Report.

Corporate Governance

Capsol Technologies is dedicated to creating value for all stakeholders and recognizes that strong corporate governance is essential to achieving this goal.

Capsol Technologies' corporate governance complies with Norwegian law and the Norwegian Code of Practice for Corporate Governance, as issued by the Norwegian Committee for Corporate Governance ("NUES") on October 14, 2021. The company follows these recommendations with no significant deviations, though it has implemented a long-term incentive program for Board Members, including share options, which has been approved by the General Meeting. This differs from the NUES recommendation. Over the past three years, the company has experienced significant growth and commercial interest, and the incentive program has played a key role in attracting a strong and competent Board of Directors. Looking ahead, the company will continue to evaluate its compensation program.

Capsol Technologies is dedicated to creating value for all stakeholders and recognizes that strong corporate governance is essential to achieving this goal.

Capsol's Code of Business Conduct and Ethics (the "Code") serves as the foundation for the company's business conduct, ensuring that all employees and business partners act with the utmost care and integrity. It establishes minimum standards for ethical behavior, performance, and compliance with company policies. The Code guides employees in conducting business sustainably and in accordance with ethical standards, applicable laws, regulations, and best corporate governance practices in the countries where Capsol operates.

The company has Directors & Officers (D&O) Liability Insurance, which provides financial protection for its Board of Directors and Officers. This insurance covers claims arising from decisions and actions taken within the scope of their ordinary duties. The coverage limits for each insurance event is up to NOK 10 million.

Equity and Dividends

The Board seeks to maintain a capital structure aligned with the Company's objectives, strategy, and risk and other financing sources where applicable. General authorizations for the Board to increase share capital or repurchase shares are typically granted for specific purposes and are generally limited in duration, expiring no later than the next annual general meeting. The Company is dedicated to generating long-term value for its shareholders. To support future growth, it plans to retain earnings and cash, with no anticipation of paying cash dividends in the foreseeable future.

Risk management

The Board of Directors is responsible for ensuring that Capsol Technologies maintains robust internal controls and systematic risk management practices tailored to the nature of the company's activities. Regular reviews of the company's key risk areas are conducted to proactively mitigate potential impacts on business plans, operational performance, financial results, and overall financial stability.

The company successfully raised net proceeds of NOK 109 million in H1 2024, which is being deployed in attractive growth opportunities ...

While risks are systematically managed and mitigated, the company operates in a global market influenced by factors such as regulatory changes, CO_2 taxes, government subsidies, customer preferences and their willingness to adopt new technologies, the introduction of competing technologies, and other market conditions.

Internal factors, including operational and financial risks, also play a significant role. For further details on Capsol Technologies' risk management and mitigating actions, please refer to the risk section of the ESG chapter.

Consolidated financial performance

Capsol Technologies ASA's audited consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS). The financial statements cover the period January 1, 2024, to December 31, 2024.

The company successfully raised net proceeds of NOK 109 million in H1 2024, which is being deployed in attractive growth opportunities including new markets, new solutions and new revenue streams. In the period, Capsol's total operating revenue was NOK 94.2 million, up 2.75x from NOK 34.2 million in 2023. The revenue growth was driven by increased demand for CapsolGo® demonstration campaigns in Germany and Sweden; engineering studies primarily in Europe and booking of first license fee in December 2024.

Total operating expenses were NOK 124.2 million, up 1.65x from NOK 75.6 million, driven by investments in growth and the cost of delivering increased revenues. The largest cost category was personnel expenses of NOK 50.3 million, increasing from NOK 37.4 million.

Net financial loss amounted to NOK 2.7 million, compared to NOK 1.9 million in 2023, primarily driven by financing costs related to green loans for CapsolGo® demonstration units. Net loss was NOK 32.8 million, down from NOK 43.4 million in 2023, due to an increase in revenues offsetting cost of increased activity to position the company in a fast-growing market.

Total assets as of December 31, 2024, were NOK 205.7 million (NOK 145.7 million in 2023). NOK 12.8 million was intangibles related to patents and other intellectual property, and NOK 83.6 million was plant and equipment primarily relating to investments in CapsolGo® demonstration units. The company held NOK 64.4 million in cash (NOK 41.6 million). Total current assets were NOK 102.6 million (NOK 62.6 million).

Total liabilities were NOK 89.8 million (NOK 111.8 million), of which short term liabilities were NOK 57.4 million. Total debt to financial institutions, mainly to finance the CapsolGo® program, was NOK 46.8 million.

Net cash flow from operating activities ended at NOK -30.6 million (NOK -4.9 million in 2023). Net cash flow from investing activities was negative by NOK 31.4 million (NOK -51.3 million in 2023), mainly reflecting investments in CapsolGo® demonstration units and capitalization of R&D. Net cash flow from financing activities was NOK 84 million (NOK 39.2 million in 2023), primarily driven by equity raise proceeds and repayment of borrowings.

The net change in cash and cash equivalents during the period was NOK 22 million (NOK -17.0 million in 2023).

Parent company financial performance

The financial statements for the parent company are prepared in accordance with Norwegian generally

accepted accounting principles (NGAAP).
Capsol Technologies ASA increased its revenue to NOK 96.9 million in 2024 from NOK 35.8 million in 2023 and had a net loss of 25.6 million in 2024 compared to a loss of NOK 43.2 million in 2023.

Total assets as of December 31, 2024, were NOK 203.3 million (NOK 137.9 million in 2023). The book value of intangible assets was NOK 12.8 million, while plant and equipment counted for NOK 83.6 million, mainly related to the CapsolGo® demonstration units. Cash at year end was NOK 64.3 million. The equity position at year end was NOK 123.2 million, equivalent to an equity ratio of 61%.

Long-term debt decreased to NOK 46.8 million in 2024 from NOK 63.7 million in 2023, due to down payments. Short term debt decreased to NOK 33.3 million in 2024 from NOK 40.2 million in 2023.

Net cash flows from operating activities were NOK -38.6 million, while net cash flows from investment activities were NOK -31.4 million. Cash flows from financing activities were NOK 92.8 million, driven by net proceeds from issuing new shares. The net cash flow was NOK 22.8 million in 2024.

Allocation of net loss and dividends

Capsol Technologies ASA reported a net loss of NOK 25.6 million for the period from January 1 to December 31, 2024. As the company remains in a growth phase, it is not positioned to distribute dividends based on the 2024 results. To achieve its long-term objectives, drive impact, and maximize shareholder value, Capsol will prioritize reinvesting in growth over dividend payments in the near to medium term.
The Board of Directors proposes allocating the uncovered loss.

Going Concern

Pursuant to Section 3-3 of the Norwegian Accounting Act, the Board of Directors confirm that Capsol Technologies ASA satisfies the going concern assumption.

Oslo, 9 April 2025
The Board and Chief Executive Officer of Capsol Technologies ASA

Endre Ording Sund
Chair of the Board

John Arne Ulvan
Member of the Board

Ellen Merete Hanetho
Member of the Board

Monika Inde Zsak
Member of the Board

Wayne Thomson
Member of the Board

Wendy Lam
Chief Executive Officer

Responsibility statement

Declaration by the Board of Directors and Chief Executive Officer

The Board and Chief Executive Officer have today considered and approved the Annual Report and financial statements for Capsol Technologies ASA for the year ended December 31, 2024. The Board has based this declaration on reports and statements from the company's Chief Executive Officer, Chief Financial Officer and on the results of the company's activities, as well as other information that is essential to assess the company's position which has been provided to the Board of Directors.

To the best of our knowledge:
The financial statements for 2024 for Capsol Technologies ASA have been prepared in accordance with all applicable accounting standards. The information provided in the financial statements gives a true and fair portrayal of the group and its parent company's assets, liabilities, profit and overall financial position as of December 31, 2024. The Annual Report provides a true and fair overview of the development, profit and financial position of Capsol Technologies ASA, as well as the most significant risks and uncertainties facing the company.

Oslo, April 9, 2025
The Board of Capsol Technologies ASA

Endre Ording Sund
Chair of the Board

John Arne Ulvan
Member of the Board

Monika Inde Zsak
Member of the Board

Wayne Thomson
Member of the Board

Ellen Merete Hanetho
Member of the Board

Wendy Lam
Chief Executive Officer

ESG reporting

Introduction

Capsol Technologies is building a leading provider of energy-efficient and safe technologies for carbon removal for large-scale emitters of CO_2, with a goal of accelerating the world's transition to a net zero future. Capsol offers carbon capture solutions for hard-to-abate industries like cement, energy-from-waste, biomass and gas turbines, creating long-term value for customers, shareholders, society and the environment.

Capsol's technologies combine inherent heat recovery and generation in a stand-alone unit based on a proven and safe solvent. As such, Capsol's main impact is tied to the company's ability to provide robust carbon capture technologies that make more CCS projects economically viable and contribute to accelerated decarbonization.

The technologies are licensed either directly to customers or through industrial partners globally. The license fee is typically triggered by a final investment decision (FID) and paid over the construction period.

Capsol is committed to developing its business in alignment with the UN Sustainable Development Goals (SDGs) and the Paris Agreement. At the core of Capsol's business is the contribution towards the SDGs through climate change mitigation solutions, representing an important commitment to society at large.

Sustainable strategy

Capsol is currently focused on technology development, engineering, project development and sales. The company has clear strategic priorities to drive significant growth in the coming decade, along with an expanding market for CO_2 capture. The sustainability strategy is aligned with the strategic priorities, recognizing that such growth will result in a transformation of the organization, expand the range of material sustainability matters and therefore also the priorities.The focus so far has been on business conduct, the development and preservation of human capital and the protection of intellectual property (IP). Going forward, as portfolio projects are subject to FIDs and start getting developed, Capsol will put enhanced focus on supply chain management and ensuring that a green procurement strategy is in place to minimize the carbon footprint of both its own business and its products.

Sustainability strategy aligned with strategic priorities

Scale project pipeline

- Project pipeline expansion
- New CapsolGo® deployments
- New licensing agreements
- Strengthening partnerships

Project FIDs

- Final investment decisions on projects using Capsol's technologies

New products and services

- Commercializing CapsolGT®
- Expanding into new markets

CapsolGo® → CapsolEoP® → CapsolGT® → Additional technologies and services to capture value

Business conduct → Code of Business Conduct and Ethics → Ethics training

Human capital → HR Function → Human rights training → Employee surveys

Intellectual property → Risk management framework → Patents → R&D and innovation → Collaborations and partnerships

Supply chain → Code of Conduct for Business Partners → Supply chain management

GHG emissions → Green procurement strategy → Net zero scope 1 and 2 by 2030

Greatest area of impact

The company considers four of the SDGs as where it believes it may have the most impact.

Capsol provides **solutions that enable production of low carbon energy through carbon capture** from cement, biomass, energy-from-waste and gas turbines.

Capsol develops and **delivers innovative, energy-efficient and cost competitive carbon capture solutions for heavy industries, hard-to-abate large-scale CO_2-emitting industries** helping them to reduce emissions and reach their sustainability goals. Capsol is continuously working to improve the technology, make it more energy-efficient and develop new patents to reach more markets.

Capsol is working with the supply chain to **create a circular design mindset and responsible sourcing of energy and materials to reduce waste and ensure sustainable consumption.**

Climate action is at the core of Capsol's business. **Combatting climate change is a key part of our long-term strategy** by offering energy-efficient, safe and environmentally friendly carbon capture solutions to hard-to-abate, large-scale CO_2-emitting industries to reduce CO_2 emissions and reach net zero.

Environmental

As a provider of technology that mitigate climate change through CO_2 emission removal from hard-to-abate industries, managing and reducing the company's own carbon footprint and minimizing negative environmental impact in operations and during the production of our CapsolGo® demonstration units is important. This report marks the third time Capsol has undertaken climate accounting for the company in accordance with the Greenhouse Gas (GHG) Protocol.

Scope 1 emissions
0 tCO_2e (tonnes CO_2 equivalents)

Scope 2 emissions
Indirect energy emissions from electricity usage in the company's office space (totaling 16 972 kWh for 2024) accounted for only 0.13 tCO_2e. The company moved to a highly energy efficient (geothermal heat) BREEAM certified office building in June 2023.

Scope 3 emissions
The main contributor (79%) to Scope 3 (indirect) emissions is the electricity usage for the mobile CapsolGo® demonstration units and liquefaction units, captured in the downstream leased assets category, which totaled 773.21

Scope 1 0.00 tCO_2e
Direct

Company facilities

Company vehicles

Scope 2 0.13 tCO_2e
Indirect

Electricity

Scope 3 773.21 tCO_2e
Indirect

Business travel

Employee commute

Waste

Transportation

Electricity CapsolGo®

CO_2 emissions and mitigation
Capsol Technologies' biggest impact with regards to CO_2 emissions is enabling removal of CO_2 from the atmosphere with Capsol's carbon capture technologies.

Capsol's second largest contributor to CO_2 emissions and environmental impact is the production and use of the CapsolGo® demonstration units, which requires energy both during manufacturing and operation, and the use of raw materials to produce the demonstration units. As part of Research and Development (R&D), the company continues to innovate and improve processes to increase the efficiencies of its solutions, to lower the energy use during the capture process even further, in addition to investigating a circular economy-based construction (reuse of materials after end of life) of our CapsolGo® units. As Capsol Technologies is a licensor of patented carbon capture technologies either directly to customers or through industrial partners globally, the company does not have direct impact on the customer's choice of the EPC (Engineering, Procurement and Construction) company for the construction of the large-scale carbon capture plants.

Priorities

Scope 3:

- Develop and mature new business opportunities
- Continue to enable CCUS value chain
- Continue to prioritize research and development (R&D) to further improve energy efficiency of Capsol's carbon capture solutions

Scope 2:

- Develop a green procurement strategy for the company
- Cooperate with suppliers and construction companies to create awareness and collaboration in reducing the carbon footprint of our CapsolGo® demonstration units

Social

People, diversity, flexibility and equal opportunities

Capsol Technologies fosters a culture of participation, teamwork and empowerment to attract and retain top talent. A diverse and inclusive workforce brings a broader range of perspectives, fosters innovation, and strengthens decision-making, making the company more adaptable and competitive. The company embraces differences in background, experience, gender, nationality and age while ensuring everyone is recognized for their contributions. Capsol also supports work-life balance by offering flexible work arrangements when feasible.

In 2022, the company established procedures to ensure fair and consistent employment practices, implemented an occupational health and safety system, and strengthened risk management. In 2023, Capsol launched an HR function to support employee development and strengthen the workplace culture. Clear policies and inclusion are essential for managing our growing, diverse workforce.

Capsol's business is guided by our Code of Business Conduct and Ethics, ensuring integrity, compliance with laws and responsible corporate governance. We are committed to preventing discrimination and harassment in any form. Employees are expected to treat colleagues with respect, and any misconduct should be reported to management or through our whistleblowing channel. We encourage employees to speak up about malpractice or impropriety without fear of retaliation. In doing so, they are acting responsibly and appropriately.

Read more about Capsol Technologies' whistleblowing policy in the Code of Business Conduct and Ethics.

Number of employees at 31 Dec 2024	Women	Men	Total
Total	13	24	**37**
Contract	1	2	**3**
Full time	12	22	**34**
Turnover	1	4	**5**
Parental leave	0	1	**1**

Pay equality	2024
Average salary for women as a percentage of average salary for all employees	**100%**
Average salary for men as a percentage of average salary for all employees	**100%**

Employees by group 2024	Women	Men	Total
Under 30	2 (50%)	2 (50%)	**4**
30-50	5 (18%)	23 (82%)	**28**
Over 50	4 (80%)	1 (20%)	**5**
Total	11 (30%)	26 (70%)	**37**

Nationalities among employees	2024
Number of nationalities among employees	**16**

Employees by employee category 2024	Women	Men	Total
C-level	2 (29%)	5 (71%)	**7**
Staff	10 (37%)	17 (63%)	**27**
Total	12 (35%)	22(65%)	**34**

Detected incidents of discrimination	2024
Detected incidents of discrimination	**0**

There were no reported incidents of discrimination in 2024.

Capsol's head office is in Oslo, Norway, with presence in the U.S. and Germany. At the end of 2024 Capsol had 34 employees from sixteen different countries across four continents, speaking 21 different languages, including English, German, Spanish, Portuguese, Italian, French, Swedish, Danish, Finnish, Hungarian, Vietnamese, Urdu, Turkish, Lithuanian, Russian, Arabic, Chinese (Cantonese), three different languages from Ghana (Twi, Ga, Nzema) and Norwegian.

Employment at Capsol is based on merit and professional qualifications. The company values a diverse workforce and recognizes each employee's unique contributions. To promote gender equality, Capsol encourages both men and women to take parental leave and compensates for salary gaps not covered by state benefits. In 2024, one employee qualified for parental leave.

Equal pay for equal work is an important part of equality in the workforce and Capsol believes in equal salaries for equal work. In Capsol, there are no significant salary gaps between comparable roles. However, the company acknowledges the fact that fewer women hold management positions.

Priorities

- Retention of talents and key employees will be instrumental for the company's continued success.
- Surveys to monitor and gain insights into employees' work motivation, team dynamics, organizational effectiveness and self-development
- Continue to build on and develop structures to strengthen internal communication and identify improvement areas.
- Establish procedures to follow up on issues brought up by employees to secure employee well-being and a strong company culture

Health and safety

Capsol is committed to ensuring a working environment that provides a healthy and meaningful workplace to create long-term societal and economic value.
The employees' health and well-being are a high priority for Capsol, supporting a good and inclusive working environment, low levels of absence due to illness and retaining a highly skilled and motivated workforce.
Capsol offers flexible working hours and safeguard employees' preferred work-life balance.
Sick leave for 2024 was 1.5% and sick child days was less than 1%.
There were no reports of incidents or injuries during 2024.

Priority

- The company remains committed to prioritizing employee health, safety, and well-being while actively managing risks and strengthening its HSE culture

Protecting human and labor rights

Capsol is committed to upholding human and labor rights across its operations and supply chain. The company supports the Universal Declaration of Human Rights, the UN Global Compact and ILO's core conventions, and we expect its suppliers to do the same.

Capsol Technologies partners with reputable clients and suppliers that comply with laws and respect human rights. The company's Code of Business Conduct and Ethics, endorsed by the Board of Directors, provides a framework for compliance, integrity, and responsible business practices. It covers key areas such as human rights, labor rights, health and safety, diversity, and anti-corruption. Bribery and facilitation payments are strictly prohibited. The Code was last updated on June 21, 2024.

The 2022 Transparency Act requires companies to promote respect for human rights and decent working conditions. Capsol Technologies ensures compliance by engaging with suppliers and business partners to prevent

PRINCIPLE 1

Businesses should support and respect the protection of internationally proclaimed human rights within the scope of their influence

PRINCIPLE 2

Businesses should make sure that they are not complicit in human rights abuses

PRINCIPLE 3

Businesses should uphold the freedom of associaton and the effective recognition of the right to collective bargaining

PRINCIPLE 4

Businesses should uphold the elimination of all forms of forced and compulsory labour

PRINCIPLE 5

Businesses should uphold the abolition of child labour

PRINCIPLE 6

Businesses should uphold the elimination of discrimination in respect of employment and occupation

PRINCIPLE 7

Businesses should support a precautionary approach to enviornmental challenges

PRINCIPLE 8

Businesses should undertake initatives to promote greater environmental responsibility

PRINCIPLE 9

Businesses should encourage the development and diffusion of environmentally friendly technologies

PRINCIPLE 10

Businesses should work against corruption in all its forms, including extortion and bribery

rights violations and strengthen labor practices. In 2024, the company updated its due diligence procedures to better identify and mitigate risks while enhancing accountability across its operations and supply chain.

Transparency Act progress report 2024

The Act relating to enterprises transparency and work on fundamental human rights and decent working conditions (the "Transparency Act") entered into force on July 1, 2022.

This statement represents Capsol's account of due diligence pursuant to Section 5 in the Transparency Act. The reporting period covered in this report is from January 1 to December 31, 2024.

Capsol has embedded the work on fundamental human rights and decent working conditions under the Transparency Act. Capsol expects that its business partners and all those working on the business partners' behalf adhere to the minimum standards for business practices as set out in Capsol's Code of Conduct for Business Partners. The business partners shall further ensure that all their personnel and entities involved, and those working on the business partners' behalf, are aware of the standards, principles and ambitions set out in the Code of Conduct for Business Partners.

The Code of Conduct for Business Partners is available on Capsol's company website.

Taxonomy eligibility and alignment

In December 2019, the European Commission adopted the "European Green Deal", a strategy and key actions that will help the EU become climate-neutral by 2050, make its society more resilient to the impacts of climate change, boost the efficient use of resources through a clean and circular economy, restore biodiversity and cut pollution.

The EU Taxonomy Regulation adopted in July 2020 aims to translate the EU's climate and environmental objectives into an action plan to redirect capital flows towards a more sustainable economy.

Taxonomy accounting guidelines

The key performance indicators (KPIs) presented include the company's revenue (Turnover), capex and opex which are associated with Taxonomy-eligible economic activities and Taxonomy-aligned economic activities for the reporting period 2024.

Definitions

Taxonomy-eligible economic activity means an economic activity that is described in the Delegated Act (EU) 2021/2139 (the "Screening Regulation") supplementing the Taxonomy Regulation irrespective of whether that economic activity meets any or all of the technical screening criteria laid down in the Screening Regulation.

Taxonomy-aligned economic activity means an economic activity that complies with all of the following requirements:

a. contribute substantially to one or more of the environmental objectives;
b. do not significantly harm any of the environmental objectives;
c. are carried out in compliance with the minimum safeguards; and
d. comply with technical screening criteria in the Screening Regulation.

The six **environmental objectives** established by the Taxonomy Regulation Article 9 are:

- Climate change mitigation
- Climate change adaptation
- The sustainable use and protection of water and marine resources
- The transition to a circular economy
- Pollution prevention and control
- The protection and restoration of biodiversity and ecosystems

Taxonomy eligibility and alignment

As a licensor of carbon capture technologies to industrial plant owners, Capsol's core activities (demonstration campaigns, engineering studies and licensing of patented technology) are assessed as both Taxonomy-eligible and Taxonomy-aligned as defined in the Taxonomy Regulation.

Economic activities 2024	Turnover	%	Capex	%	Opex	%
Amounts in NOK						
Taxonomy eligible activities	94 160 578	100	31 399 409	100	124 210 770	100
Taxonomy aligned activities	94 160 578	100	31 399 409	100	124 210 770	100

Patents, R&D and innovation, collaboration and partnerships

Patents

In 2024, Capsol Technologies strengthened its intellectual property (IP) portfolio by submitting multiple patent applications. These applications focus on optimizing energy consumption and process integration and enhancing the technology's appeal to a broader range of emitters. Additionally, several patent applications initiated prior to 2024 successfully completed their prosecution phases during the year and will result in patents being granted during 2025. Capsol Technologies currently has patents in twelve patent families.

R&D and innovation

Capsol Technologies has maintained its commitment to research and development (R&D) and innovation. There is a dual focus on creating new technologies that add value for customers and enhancing the efficiency of internal processes. The company's R&D initiatives encompass advancements in process technology, the implementation of information technology/software and experimental laboratory activities. Where relevant, patent applications have been filed.

Outside of Capsol Technologies HPC R&D center. Image by: Dahle Holding AS

Governance

Capsol Technologies strives to uphold a high standard of corporate governance to enhance stakeholder confidence and drive long-term value creation. This commitment includes clearly defining the roles and responsibilities of shareholders, the Board of Directors, and executive management, going beyond the requirements set by legislation.

Corporate governance at Capsol Technologies is founded on the Norwegian Code of Practice for Corporate Governance (NUES) and includes the following principles:

- All shareholders shall be treated equally
- Capsol Technologies will maintain open, relevant, and reliable communication with its stakeholders, including shareholders, governmental bodies, and the public regarding the company's activities
- The Board of Directors shall remain autonomous and independent of the company's management
- The company upholds independence and integrity in all interactions between the company, board members, management, and shareholders

1. Implementation and reporting on corporate governance

Compliance, objective, and regulations

Capsol fosters a strong compliance culture, which is essential to the company's daily operations including maintaining the trust of stakeholders. The Board of Directors has developed a Corporate Governance Policy that outlines the framework of guidelines and principles governing the interactions between shareholders, the board, and the Chief Executive Officer. The compliance framework underpins all decision-making and is fundamental to the integrity of the company's business. It establishes a foundation for sound corporate governance, profitability, and long-term value creation for our shareholders.

The policy outlines measures to ensure effective management and control of the company's activities. Its primary objective is to establish systems for communication, monitoring, and responsibility allocation, as well as appropriate incentives that drive financial performance, long-term success, and shareholder returns. Strong control and governance procedures ensure equal treatment of all shareholders, fostering trust. The Board of Directors and executive management conduct annual assessments of the company's corporate governance principles.

Capsol is listed on Euronext Oslo Børs(Oslo Stock Exchange) and is subject to Norwegian laws, including Section 2-9 of the Norwegian Accounting Act, which mandates the annual disclosure of specific corporate governance information. Additionally, Oslo Børs' continuing obligations require listed companies to publish an annual statement outlining their principles and practices regarding corporate governance, addressing each section of the most recent version of the corporate governance code.

2. Business activity

The Board has defined clear objectives and strategies to ensure sustainable long-term value creation for its shareholders. The company's strategy, objectives, and risk profile are reviewed annually, considering economic, social, and environmental factors.

3. Annual general meeting

The Annual General Meeting (AGM) is Capsol Technologies' highest decision-making body. All shareholders have the right to attend, speak, and vote, with each share carrying one vote.

AGMs are normally held before May 30 and no later than June 30, with the date included in the company's financial calendar. The notice, agenda, supporting documents, and proxy voting form are made available on the company's website and via the Oslo Stock Exchange at least 21 days in advance.

Shareholders unable to attend may vote by proxy. The board strives for broad shareholder participation, facilitates voting by written or electronic means where applicable and ensures separate voting on each board candidate. Shareholders may propose matters for the AGM by submitting a request in writing within a reasonable timeframe before the notice is issued.

The Chair of the Board and CEO attend the AGM unless otherwise decided. The company's auditor also has the right to be present. The notice and support information, as well as a proxy voting form, will normally be made available on the company's website and a separate notice to the Oslo Stock Exchange no later than 21 days prior to the date of the General Meeting. The notice for the General Meeting shall include necessary documents providing the shareholders with sufficient detail for the shareholders to assess all the topics to be considered, as well as all relevant information regarding procedures of attendance and voting.

4. Board of Directors

Independence

The composition of the board shall ensure that the Board can attend to the common interests of all shareholders and meet Capsol's need for expertise, capacity, and diversity, in addition to ensuring that it can act independently of any special interests. Attention shall be paid to ensuring that the Board can function effectively as a collegiate body. The members of the Board shall be independent of the company's executive personnel and material business connections. In addition, at least two of the members of the board must be independent of the company's major shareholder(s). For the purposes of this corporate governance policy, a major shareholder shall mean a shareholder that controls 10% or more of the company's shares or votes, and independence shall entail that there are no circumstances or relations that may be expected to be able to influence independent assessments of the person in question. Board Members are elected by the General Meeting for a term of two years unless otherwise determined by the General Meeting.

No members of the executive management team are members of the Board.

Board of Director's composition

Capsol's Board of Directors brings together industry expertise, financial acumen, and management experience. All directors are independent of the company's executive personnel and significant business relationships.

The Board of Directors at Capsol Technologies ASA consists of five members, including two women and three men, as of the end of 2024.

Board of Directors composition	2024
Women	2 (40%)
Men	3 (60%)
Over 50	4 (80%)
30-50	1 (20%)

5. The work of the Board of Directors

The Board of Directors shall issue instructions for its own work as well as for the CEO. The Board shall prepare an annual plan for its work with special emphasis on goals, strategy, and implementation. The Board's primary responsibility shall be (i) participating in the development and approval of the company's strategy, (ii) performing necessary monitoring functions, and (iii) acting as an advisory body for the senior management team. Its duties are not static, and the focus will depend on the company's ongoing needs.

The Board is also responsible for ensuring that the operation of the company is in compliance with the company's values and ethical guidelines.

The Chair of the Board shall be responsible for ensuring that the Board's work is performed in an effective and correct manner.

The Board shall ensure that the company has good management with clear internal distribution of responsibilities and duties. A clear division of work has been established between the board and the senior management team. The CEO is responsible for the senior management team.

All members of the Board shall regularly receive information about the company's operational and financial development. The company's strategies shall regularly be subject to review and evaluation by the Board.

6. Board remuneration

The General Meeting shall annually determine the Board's remuneration.The proposition takes into account the Board's responsibility, expertise, commitment and the complexity of the company's activities. Board Members, or their affiliated entities, may undertake assignments or perform tasks for or on behalf of the company only if such assignments or tasks is defined in a separate agreement with the company, outlining the scope of work to be performed and the agreed remuneration. All such agreements including proposed scope and renumeration are subject to Board Approval pursuant to procedures established by the Board.

The company's financial statements shall provide information regarding the board's and related third party remuneration.

Information on the remuneration paid to individual Board Members for 2024 can be found in 7.3.1 to the 2024 consolidated financial statement.

7. Remuneration of executive management

Capsol has a designated remuneration committee that annually evaluates the salary and other compensation of the CEO and executive management on behalf of the board. Any fringe benefits shall be in line with market practice and should not be substantial in relation to the CEO's basic salary. The remuneration committee will prepare a remuneration policy to be presented and approved at the AGM in 2025.

The company's financial statements shall provide further information about salary and other compensation to the CEO. The remuneration committee shall issue guidelines for the remuneration of the senior management team. The guidelines shall lay down the main principles for the company's management remuneration policy.

The salary level should not be of a size that could harm the company's reputation, or above the norm in comparable companies. The salary level should, however, ensure that the company can attract and retain senior employees with the desired expertise and experience.

Performance-related remuneration should be structured to avoid incentivizing short-term actions that could harm the company's long-term interests.

8. Nomination committee

Capsol Technologies ASA has a Nomination Committee consisting of minimum of two members who shall fulfill the recommendations of the Norwegian Code of Practice for Corporate Governance. The current members are Jan Kielland (Chairman) and Jon Erling Tenvik. No members of the Nomination Committee are directors of the Board or employed by the company. Shareholders who wish to contact the Nomination Committee can contact the company's Investor Relations (IR) function as set out on its website. The general meeting determines the remuneration to the Nomination Committee.
The Nomination Committee shall prepare the election of directors.

9. Information and communication —investor relations

The Board and the senior management team assign considerable importance to give the shareholders relevant and timely information about the company and its activity areas.

In March 2024, the Capsol Board adopted a new IR policy as part of the preparations for the uplisting to Oslo Børs. The policy sets the basic principles for the company's communication and dialogue with capital markets participants. The IR policy shall help Capsol build trust and stakeholder confidence by ensuring that IR activities are conducted in compliance with prevailing rules, regulations and best practices, including the latest version of Oslo Børs' Code of Practice for IR. Capsol shall be perceived as an accessible, reliable, and professional company by providing present and potential investors with factual, relevant, timely and comprehensive information. Communication with the stakeholders shall be based on the principles of equal treatment and transparency in order to build trust and stakeholder confidence.

Capsol's IR activities shall assist capital markets participants in obtaining an informed view of Capsol as an investment case, including its financial situation and prospects, to support a fair valuation of the company's securities.

The company has clear routines for who is allowed to speak on behalf of the company on different subjects, and who is responsible for submitting information to the market and the investor community.

Sensitive information shall be handled internally in a manner that minimizes the risk of leaks. All contracts to which the company becomes a party shall contain confidentiality clauses.

10. Take-overs

In a take-over process, the board, and the senior management team each have an individual responsibility to ensure that the company's shareholders are treated equally and that there are no unnecessary interruptions to the company's business activities. The Board has a particular responsibility in ensuring that the shareholders have sufficient information and time to assess the offer.

In the event of a take-over process, the Board shall ensure that:

a. the Board will not seek to hinder or obstruct any takeover bid for the company's operations or shares unless there are particular reasons for doing so;
b. the Board shall not undertake any actions intended to give shareholders or others an unreasonable advantage at the expense of other shareholders or the company;
c. the Board shall not institute measures with the intention of protecting the personal interests of its members at the expense of the interests of the shareholders; and
d. the Board must be aware of the duty it has for ensuring that the values and interests of the shareholders are protected.

In the event of a take-over bid, the board will, in addition to complying with relevant legislation and regulations, seek to comply with the recommendations in the Norwegian Code of Practice for Corporate Governance. This includes obtaining a valuation from an independent expert. On this basis, the board will make a recommendation as to whether the shareholders should accept the bid.

Any transaction that is in effect a disposal of the company's activities should be decided by a General Meeting.

11. Auditor

Capsol established a Risk and Audit Committee ("RAC") in 2024 as a subcommittee of the Board of Directors. Its primary role is to serve as a preparatory body for the board's supervisory function, particularly concerning financial reporting and the effectiveness of the company's internal control system. The RAC is responsible for overseeing financial processes, ensuring compliance with internal control measures, and maintaining continuous communication with the external auditor.

Specifically, the RAC prepares the board's oversight of financial reporting, including the implementation of accounting principles and policies. It supervises the effectiveness of internal control and risk management systems, ensuring compliance with established measures. Additionally, the RAC maintains ongoing contact with the external auditor regarding the annual accounts and reviews the auditor's additional report. It also assesses and supervises the auditor's independence, particularly regarding potential conflicts of interest arising from non-audit services.

Each year the auditor shall present to the Board a plan for the implementation of the audit work and a written confirmation that the auditor satisfies established requirements as to independence and objectivity.

The auditor shall be present at board meetings where the annual accounts are on the agenda. Whenever necessary, the board shall meet with the auditor to review the auditor's view on the company's accounting principles, risk areas, internal control routines, etc.

The auditor may not be used as a financial advisor unless the Board decides otherwise, and then only provided that such use of the auditor does not have the ability to affect or question the auditors' independence and objectiveness as auditor for the company. Only the CEO shall have the authority to enter into agreements in respect of such counselling assignments.

At the Annual General Meeting the Board shall present a review of the auditor's compensation as paid for auditory work required by law and remuneration associated with other concrete assignments. In connection with the auditor's presentation to the Board of the annual work plan, the Board should specifically consider if the auditor to a satisfactory degree also carries out a control function. The remuneration paid to the auditor in 2024 for both audit and other services is presented in 3.5.1 in the parent company's audited financial statements.

Risk management

The Board of Directors sets the direction of the company and ensures that Capsol has procedures and systems for good corporate governance, effective internal control, and risk management appropriate to the extent and nature of the company's activities.

The Board holds ultimate responsibility for risk management, while the CEO is responsible for implementing effective risk management processes and controls. This includes ensuring they are executed as intended, adjusting them as necessary, and ensuring appropriate mitigation measures are in place to address the current risk landscape. The major risks facing the group are reviewed regularly.

The responsibility for the day-to-day risk management is not delegated to a specific function but lies with the management and each manager. This responsibility includes ensuring that operations comply with internal and external rules and regulation.

Capsol relies on a strong risk culture throughout the organization. Risk culture encompasses the shared objectives and practices that guide and govern risk management. This includes the company's purpose, values, and behaviors that foster a sound risk culture, marked by a high level of risk awareness, ongoing discussions about the risks Capsol faces or may face, and robust methods for systematic risk management. The company manages risk in compliance with applicable laws and regulations, as well as internal risk management directives. Established internal procedures support this approach.

In finance and accounting, the company's internal controls are subject to independent review by the external auditor, RSM, with findings presented annually at a board meeting. Once a year, the board conducts a review of the company's key risk exposures and internal control arrangements. These internal control mechanisms include clear accountability structures, structured accounting procedures, and periodic controls to identify and manage risks related to the financial reporting process for the consolidated financial statements. Additionally, internal and external audits are conducted to monitor compliance and continuously improve the control environment.

1. Risk factors and uncertainties

Capsol operates in a global market shaped by factors such as government subsidies, CO_2 taxes, customer preferences, and the willingness to adopt new technologies and solutions. The introduction, commercialization, and timing of new technologies, products, and services by competitors, as well as changes in regulation, also influence the market. Additionally, various market conditions, along with internal factors like financial and operational risks, contribute to the overall risk landscape. Further details on these risk factors and mitigating actions are outlined below.

2. Market risk

2.1 Industry

The carbon capture market has seen rapid growth in recent years, driven by growing policy support and carbon incentives, net-zero targets, voluntary carbon markets and increased acceptance for price premiums for low carbon products. Achieving scale to align with net-zero emissions targets by 2050 will require trillions of euros in investment in carbon capture and storage (CCS). Capsol provides highly competitive and proven carbon capture solutions, leveraging the safe and environmentally friendly HPC (Hot Potassium Carbonate) solvent to deliver cost-effective and flexible technology. However, the company operates in a competitive market where success depends on securing sufficient funding, attracting skilled talent, maintaining strong technical expertise, and executing a clear business strategy. Given the fast-paced innovation in carbon capture, there is always a risk that competitors could develop superior technologies, potentially challenging Capsol's market position. The company's ability to successfully and swiftly bring its technology and solutions to market will depend on several external factors. Key influences include CO_2 pricing mechanisms, such as the EU Emissions Trading System (EU ETS), the phased implementation of the Carbon Border Adjustment Mechanism (CBAM), and funding opportunities for CCUS projects under the U.S. Inflation Reduction Act (IRA). Other critical factors include the timing and rollout of competing technologies, regulatory shifts, and potential delays caused by limited CO_2 storage capacity under development. Failure to effectively commercialize the company's technologies—whether partially or fully—could have a significant impact on its financial performance, operational stability, and long-term growth prospects.

To mitigate competitive risks, Capsol prioritizes continuous technology development, expanding its patent portfolio, and collaborating with global partners to enhance performance and standardization. The company actively monitors regulatory trends and CO_2 pricing mechanisms to align its offerings with market incentives, ensuring long-term competitiveness.

2.2 Technical and operational risk

Capsol could face operational and technical risks, such as the potential loss of major customers, contract terminations, or challenges in maintaining competitiveness. Changes in project scope or design modifications could also lead to delays and increased costs, posing additional operational risks.

Furthermore, both Capsol and its customers could be exposed to cybersecurity threats, which might result in system downtime, loss of intellectual property, or potential legal claims related to the handling and protection of sensitive information.

Capsol mitigates project risks through structured engineering processes, standardized technology designs, and strong partnerships with EPC firms. Close collaboration with customers ensures early identification of project scope changes, reducing potential cost overruns and timeline disruptions.

Cybersecurity is also a key priority for the company, with proactive and reactive measures in place to protect employees, clients, stakeholders, and assets from cyber threats. To strengthen its defenses, Capsol works with external IT consultants to safeguard company data and digital infrastructure. This includes multiple layers of digital backups stored on separate infrastructure and servers, ensuring resilience against potential security incidents.

2.3 ESG and political risk

Capsol has limited direct exposure in countries with high political, corruption, and human rights risks. However, the company remains subject to legal, regulatory, and political uncertainties, including changes in environmental regulations, international sanctions affecting supply and demand, and risks related to unethical or criminal behavior.

To mitigate regulatory and supply chain risks, Capsol conducts regular due diligence on suppliers and partners to ensure compliance with ethical and environmental standards. The company also engages with policymakers and industry groups to help shape a stable regulatory framework for carbon capture.

To uphold strong corporate governance, Capsol has established clear guidelines and policies under its Code of Business Conduct and Ethics, ensuring that all business activities are conducted with integrity and a zero-tolerance approach to bribery, corruption, money laundering, and fraud. This Code outlines fundamental expectations for ethical conduct and serves as the foundation for interactions with employees, customers, partners, and shareholders. Employees are expected to exercise sound judgment and adhere to these principles in all business dealings.

To further ensure ethical standards, Capsol maintains a whistleblower channel where concerns about the company and its operations can be reported confidentially. Employees also have the option to raise concerns through internal reporting channels, such as their immediate department head or designated human resources and safety representatives, ensuring that any potential misconduct is promptly addressed.

2.4 Financial risk

Capsol is exposed to various financial market risks, including currency fluctuations, interest rate changes, tax uncertainties, price volatility, credit and counterparty risks, and liquidity challenges, as well as risks associated with securing financing on favorable terms. Recent market developments, such as rising interest rates and cost inflation, could impact the company, particularly in global supply chains, where raw material costs, wages, and energy prices play a significant role.

To manage financial uncertainties, Capsol actively monitors its liquidity position and currency exposure, aligning costs, debt, and revenue across currencies to enhance earnings predictability and minimize adverse effects on performance. The company maintains cost flexibility and disciplined financial management, allowing it to adapt to market fluctuations while preserving operational stability.

Capsol's revenue model includes both shorter-term income from engineering studies—such as concept, feasibility, and pre-FEED studies—and longer-term licensing revenue. While the timing and value of licensing payments depend on external factors, such as final investment decisions (FIDs) and project milestones, Capsol mitigates this uncertainty by maintaining a diversified project pipeline across industries and geographies, reducing reliance on any single sector or region.

2.5 Intellectual property

Capsol's success depends on its ability to protect and enforce its intellectual property rights. The company safeguards its innovations through a combination of patents, trade secrets, and contractual protections. However, effective protection may be unavailable, limited, or difficult to enforce in certain jurisdictions, particularly in highly competitive markets or regions with weaker legal frameworks.

There is no guarantee that current or future patents will not lapse, be invalidated, circumvented, challenged, or abandoned, or that pending applications will be granted with the intended scope. Competitors may also develop alternative technologies that bypass Capsol's patents, and the company may face infringement claims, which could be time-consuming, costly, and impact relationships with partners, customers, and distributors.

To mitigate these risks, Capsol actively monitors global patent filings and technology developments to detect potential infringements early. The company also engages legal expertise to enforce its IP rights in key markets and has established clear procedures for documenting and securing new inventions, ensuring continuous protection of its intellectual property, registered and otherwise. Furthermore, a key mitigation measure the company is very actively pursuing to protect intellectual property is building know-how and experience around the registered and non-registered intellectual property to increase barriers for circumvention.

2.6 Reliance on key employees, personnel, and partners

Capsol's success depends on its ability to attract, develop, and retain highly skilled employees and consultants. A shortage of qualified talent or the loss of key personnel could lead to delays and increased costs in product development and commercialization, impacting the company's operations, earnings, and long-term growth.

To mitigate these risks, Capsol positions itself as an employer of choice by fostering a purpose-driven work environment where employees contribute to advancing carbon capture technologies. The company collaborates closely with global partners and customers, offering employees the opportunity to work on innovative projects while supporting a healthy work-life balance.

Capsol also actively recognizes, and rewards employee contributions, maintaining a strong engagement and retention strategy.

Regular employee surveys provide insights into motivation, team dynamics, and organizational effectiveness, enabling proactive measures to address concerns and enhance workplace satisfaction. These efforts help reduce turnover risk and ensure a motivated, high-performing workforce.

Financial statements

Consolidated statement of profit or loss

	Notes	2024	2023
Amounts in NOK			
OPERATING INCOME EXPENSES			
Revenue	3.2	94 160 578	34 160 224
Total operating revenue		**94 160 578**	**34 160 224**
Costs of contract fulfillment		21 345 011	7 776 112
Personnel expenses	3.3/7.3	50 306 197	37 426 643
Depreciation and amortization expenses	3.4	14 165 644	8 169 069
Other operating expenses	3.5	38 393 919	22 269 643
Total operating expenses		**124 210 770**	**75 641 466**
Operating profit/-loss		**-30 050 192**	**-41 481 242**
Financial income and expenses			
Other interest income		2 646 697	1 010 364
Other financial income		6 124 273	3 990 313
Other interest expenses		-4 748 455	-2 479 973
Other financial expenses		-6 754 646	-4 447 959
Net financial items	3.7	**-2 732 131**	**-1 927 256**
Profit/-loss before income tax		**-32 782 322**	**-43 408 498**
Income tax expense	3.6	-	-
Profit/-loss for the period		**-32 782 322**	**-43 408 498**
Profit attributable to owners of parent company		-32 782 322	43 408 498
Basic and diluted earnings per share	3.8	-0,54	-0,81

Consolidated statement of comprehensive income

	Notes	2024	2023
Amounts in NOK			
Profit/-loss for the period		-32 782 322	-43 408 498
Other comprehensive income			
Items that may be reclassified to profit and loss in subsequent periods:			
Currency translation difference, net of tax		2 080	-767
Other comprehensive income for the period, net of tax		2 080	-767
Total comprehensive profit/-loss for the period		**-32 780 242**	**-43 409 265**
Total comprehensive profit/-loss for the period attributable to owners of parent company		-32 780 242	-43 409 265

The accompanying notes are an integral part of the consolidated financial statements

Consolidated statement of financial position

	Notes	Dec 31, 2024	Dec 31, 2023
Amounts in NOK			
ASSETS			
Non-current assets			
Intangible assets	4.1	12 773 970	7 337 512
Plant, property and equipment	4.2/6.2.2	83 639 419	67 267 596
Right of use assets	6.3.2	6 755 051	8 522 788
Total non-current assets		**103 168 440**	**83 127 897**
Current assets			
Accounts receivables	6.1/6.2.2/6.6	30 676 954	9 821 949
Contract assets	3.2.1	167 517	1 735 104
Other current receivables	5.1	7 285 720	9 426 653
Cash and cash equivalents	6.1/6.5	64 443 690	41 615 681
Total current assets		**102 573 881**	**62 599 387**
Total assets		**205 742 320**	**145 727 285**

The accompanying notes are an integral part of the consolidated financial statements

Consolidated statement of financial position

	Notes	Dec 31, 2024	Dec 31, 2023
Amounts in NOK			
EQUITY AND LIABILITIES			
Equity			
Share capital	6.9.1	31 449 334	26 766 698
Share premium	6.9.1	186 058 374	81 072 850
Other paid in capital		25 271 799	20 107 188
Other equity		-126 804 086	-94 022 283
Total equity		**115 975 420**	**33 924 453**
Liabilities			
Non-current liabilities			
Lease liabilities	6.1/6.3.3	4 787 621	6 621 710
Debt to financial institutions	6.2/6.8.2	27 613 473	45 212 693
Total non-current liabilities		**32 401 094**	**51 834 403**
Current liabilities			
Trade creditors	6.1/6.7	15 374 658	15 324 695
Lease liabilities	6.1/6.3.3	2 109 137	1 880 567
Contract liabilities	3.2.2	6 761 037	13 660 071
Current-portion of debt to financial institution	6.2	19 228 804	18 500 894
Public duties payable		3 764 604	3 070 631
Other current liabilities	5.2	10 127 564	7 531 571
Total current liabilities		**57 365 804**	**59 968 429**
Total liabilities		**89 766 898**	**111 802 832**
Total equity and liabilities		**205 742 320**	**145 727 285**

Oslo, April 9, 2025
The Board of Capsol Technologies ASA

Endre Ording Sund
Chair of the Board

John Arne Ulvan
Member of the Board

Monika Inde Zsak
Member of the Board

Wayne Thomson
Member of the Board

Ellen Merete Hanetho
Member of the Board

Wendy Lam
Chief Executive Officer

Consolidated statement of cash flows

	Notes	2024	2023
Amounts in NOK			
CASH FLOW FROM OPERATING ACTIVITIES			
Profit/-loss before income tax		-32 782 322	-43 408 498
Adjustments to reconcile profit/-loss before tax to net cash flow			
Depreciation and amortization expenses		14 165 644	8 169 069
Finance income/(expense), net		2 732 130	1 927 256
Working capital changes			
Change in trade and other receivables		-20 855 005	-7 826 474
Change in trade and other payables		16 309	13 945 616
Change in other current assets and liabilities		4 287 361	3 718 483
Change in contract balances		-5 331 446	11 924 967
Share based compensation scheme		5 164 610	5 639 676
Share based compensation employment tax		-1 335 753	-
Interests received		2 646 697	1 008 606
Effect of change in exchange rate		648 515	-
Net cash flow from operating activities		**-30 643 260**	**-4 901 300**
CASH FLOW FROM INVESTMENT ACTIVITIES			
Payment for property, plant and equipment	4.2	-25 531 158	-51 218 785
Payment for intangible assets	4.1	-5 868 251	-1 292 394
Government grants	7.2	-	1 211 545
Net cash flow from investing activities		**-31 399 409**	**-51 299 634**

	Notes	2024	2023
CASH FLOW FROM FINANCING ACTIVITIES			
Net equity received		109 668 161	-
Proceeds from borrowings		-	48 996 562
Repayment of borrowings		-19 023 321	-5 822 146
Repayment of lease liabilities		-1 901 067	-1 526 346
Interests paid		-4 158 329	-2 008 285
Interest paid on lease liabilities	6.3.4	-590 126	-471 688
Net cash flow from financing activities		**83 995 318**	**39 168 097**
Net increase/-decrease in cash and cash equivalents		**21 952 648**	**-17 032 838**
Cash and cash equivalents on 1 January		41 615 681	61 565 235
Effect of change in exchange rate		875 363	-2 916 715
Cash and cash equivalents on 31 December	6.5	**64 443 690**	**41 615 681**

The accompanying notes are an integral part of the consolidated financial statements

Consolidated statement of changes in equity

	Notes	Share capital	Share premium	Other paid in capital	Currency trans adj	Other equity	Total equity
Balance on Jan 1, 2024		26 766 697	81 072 850	20 107 188	-451	-94 021 832	33 924 453
Profit for the year						-32 782 321	-32 782 321
Other comprehensive income					2 080		2 080
Share capital issue Feb 16		3 502 637	78 635 895				82 138 532
Share capital issue Jun 5		1 125 000	25 304 628				26 429 628
Execution of employee share options		55 000	1 045 000				1 100 000
Share based compensation				5 164 610			5 164 610
Other changes in equity						-1 561	-1 561
Balance on Dec 31, 2024	6.9	**31 449 334**	**186 058 373**	**25 271 798**	**1 629**	**-126 805 714**	**115 975 420**
Balance at Jan 1, 2023		53 533 395	81 072 850	14 467 512	317	-77 380 031	71 694 043
Profit for the year						-43 408 498	-43 408 499
Other comprehensive income					-767		-767
Share based compensation				5 639 676			5 639 676
Equity restructuring		-26 766 698				26 766 698	-
Balance on Dec 31, 2023		**26 766 697**	**81 072 850**	**20 107 189**	**- 451**	**-94 021 832**	**33 924 453**

The accompanying notes are an integral part of the consolidated financial statements

Notes to the consolidated financial statements

1 GENERAL INFORMATION AND BASIS OF PREPARATION

1.1 Corporate information

These consolidated financial statements are made for the Group comprised of Capsol Technologies ASA and its subsidiaries (the “Group” or ”Capsol”). The mother entity of the Group is Capsol Technologies ASA, which is a public limited liability company incorporated and domiciled in Drammensveien 126, 0277 Oslo, Norway. The shares are currently traded on Euronext Oslo Børs, with the ticker CAPSL. The Group is a carbon capture technology provider with a goal to accelerate the world's transition to a net zero future.These consolidated financial statements were authorized by the Board of Directors on April 9, 2025.

1.2 Financial reporting framework and basis of preparation

Capsol's consolidated financial statements are prepared in accordance with IFRS® Accounting Standards as adopted by the EU (IFRS®). The financial statements have been prepared on a historical cost basis, except for certain assets, liabilities, and financial instruments, which are measured at fair value (one minor investment in shares). Preparation of financial statements including note disclosures require management to make estimates and assumptions that affect amounts reported. Actual results may differ. The functional currency of Capsol Technologies ASA is the Norwegian krone (NOK). The Group's consolidated financial statements are presented in NOK and rounded to nearest NOK unless stated otherwise. These 2024 consolidated financial statements have been prepared based on the going concern assumption.

1.3 Significant accounting judgements, estimates and assumptions

The application of accounting policies requires that management makes estimates and judgements in determining certain income, expenses, assets and liabilities. The following areas involve a significant degree of judgement and complexity and may result in significant variation in amounts.

- Share based payment, refer to section 3.3.1
- Research and development activities, refer to section 4.1
- Impairment of a non-financial assets, refer to section 4.3

1.4 New standards and interpretations not yet adopted

IFRS 18 Presentation and Disclosure in Financial Statements is effective for periods beginning on or after 1 January 2027.

IFRS 18 will replace IAS 1 Presentation of Financial Statements, and introduce new requirements to help achieve comparability across companies. Although IFRS 18 will not affect the recognition or measurement of items in the financial statements, changes are expected to be made to the Group's presentation of the Consolidated statement of comprehensive income.

Management is currently assessing the detailed implications of applying the new standard to the Group's consolidated financial statements.

1.5 Climate related risks

Management has assessed the potential effects that climate-related matters may have on the Group's operations and consolidated financial statements. Climate-related risks can take the form of both physical, political and transition risks, that may lead to potential effects in the Group's consolidated financial statements. Physical risks are risks of economic ramifications resulting from climatic events such as extreme weather and long-term environmental changes. Political risks are risks of regulatory changes. Transitions risk relate to shifts in consumer behavior and technological advancements, resulting from the process of transitioning away from reliance on fossil fuels towards renewable energy sources. Physical risks are considered when determining the remaining useful life of PPE, and on the assessment of impairment indicators, see section 4.3

2 SIGNIFICANT TRANSACTIONS AND EVENTS DURING THE REPORTING PERIOD

In 2024, Capsol Technologies ASA invoiced and booked its first licensing revenue. This was from Stockholm Exergi under the Patent License Agreement signed in 2022 for the use of Capsol's Hot Potassium Carbonate (HPC) carbon capture technology. As a first mover, Stockholm Exergi was granted a discount on the technology license fee, valid until the end of 2024. The agreement stipulated that the license fee would be due in full at the project's Final Investment Decision (FID), with an option to pay by year-end 2024 should FID not be reached within that timeframe—allowing the client to retain the discount. Stockholm Exergi exercised this option, and the license fee was invoiced and recognized as revenue in 2024.

3 RESULTS OF THE YEAR

This section provides insights into the financial performance of the Group over the periods presented, including those relating to financing activities, employee costs, taxes and government grants.

3.1 Segment reporting

Capsol Technologies has determined that the Group has only one operating segment, and thus only one reporting segment, which is the carbon capture solution technology. The determination of one operating and one reporting segment is strongly based on the internal financial information monitored by the board of directors, the management and Capsol Technologies' current business model and operations, as well as the fact that all business and sale is managed centrally by the management group. The internal financial information is reported using the principles of the annual financial statements. The Groups primary measure of results is operating income /-loss.

3.2 Revenue recognition

Accounting policies

Capsol Technologies currently has three revenue streams

- CapsolGo® demonstration units where the performance obligation is to provide the customers with one or more operation and testing packages (OTSP) to demonstrate the technology on the customers sites and facilities. Revenue is recognized over time over the planned demonstration period, normally between five to seven months.
- Engineering services and feasibility studies. Each agreed engineering service or feasibility study is a performance obligation. The revenue from engineering and feasibility studies are recognized point in time when predefined milestones are reached.
- Revenue from technology licensing is recognized in accordance with the underlying contract terms. Revenue is typically recognized when a defined milestone is achieved, such as a Final Investment Decision (FID). If a contract includes performance guarantee provisions, an appropriate portion of the revenue may be deferred, with contingencies recognized in accordance with IFRS 15, Revenue from contracts with customers. For licensing revenue booked to date, there are no outstanding guarantee commitments related to future performance.

Any costs to prepare the CapsolGo® demonstration units at site are a cost to fulfill the performance obligation and will be amortized over the planned testing period.

Geographical distribution	**2024**	2023
Amounts in NOK		
Europe	94 160 578	34 160 224
US	-	-
Others	-	-
Total operating revenue	**94 160 578**	**34 160 224**
Timing of revenue recognition		
At point in time	37 779 126	3 247 363
Over time	56 381 452	30 912 860

None of the revenue mentioned on table above was recognized in Norway. Recorded revenues are from CapsolGo® demonstration campaigns, feasibility and engineering studies; and technology licensing.

Major customers

Respectively in 2024, Capsol Technologies ASA had a significant portion of its revenue derived from three major customers, each representing more than 10% of total revenue. Revenue from these customers amounted to approximately NOK 27.5 million, NOK 21.7 million, and NOK 23.7 million, respectively. The revenue from these significant customers is primarily related to technology licensing and services.

3.2.1 Assets recognized from costs to fulfill a contract

Amounts in NOK	Dec 31, 2024	Dec 31,2023
Assets recognized from costs to fulfill contracts	167 517	1 735 104
Total contract assets	**167 517**	**1 735 104**

The assets recognized relate to set-up costs to prepare the CapsolGo® demonstration units at site up until commencement of the OTSP demonstration. The set-up costs are considered a cost to fulfill the CapsolGo® performance obligations and amortized as the performance obligation is fulfilled (the OTSP demonstration period).

3.2.2 Liabilites related to contracts with customers

The Group has recognized the following contract liabilities related to contracts with customers.

Amounts in NOK	Dec 31, 2024	Dec 31, 2023
Current contract liabilities relating to CapsolGo®	6 761 037	13 660 071
Total contract liabilities	**6 761 037**	**13 660 071**

Prepayments relate to upfront and start-up fees that occur up until commencement of the OTSP demonstration with the CapsolGo® units. These payments are to cover the set-up costs and part of the monthly fees paid in the OTSP demonstration period.

Capsol's contract balances (both the prepayments from customers and the contract assets) at year-end December 31, 2024 will be recognized as revenue and costs within the next reporting period, as all remaining performance obligations have duration below one year.

3.3 Personnel expenses

The Group has incurred in the following employee benefit expenses:

Accounting policies

The Group recognizes the undiscounted amount of short-term employee benefits expected to be paid to its employees in exchange for their services. Obligations for short-term employee benefits mainly include wages and salaries, bonuses, annual leave and accumulated sick leave that are expected to be settled within twelve months of the reporting date. Employee benefit obligations are included in the 'other current liabilities' in the statement of financial position.

Personnel expenses	**2024**	**2023**
Amounts in NOK		
Salaries	35 309 212	24 427 252
Employment tax	7 370 692	3 982 453
Other benefits	5 409 542	2 903 585
Share based compensation cost	5 164 610	5 639 676
Share based compensation employment tax	-1 335 753	1 302 266
Tax refund (SkatteFUNN)	-1 612 106	-828 590
Total	**50 306 197**	**37 426 643**
Average number of employees	34	21

See Section 7.3.1 for further information on remuneration to the Group's key management personnel.

Pension expenses

The Group is liable to maintain an occupational pension scheme under the Mandatory Occupational Pension Act, in Norway. The Group's pension scheme satisfies the requirements of this act. The Group has a defined contribution plan for its employees, where payments are made through an insurance group. Cost from the defined contribution plans is recognized when payable. Capsol does not hold any credit or actuarial risks from these contribution plans. The pension cost is included under, 'other benefits', in the table above.

3.3.1 Share-based payment

Accounting policies

Share-based compensation programs are provided to the Group's employees. These programs are equity-settled, since services rendered by the employees will be settled with the Group's own equity instruments.

The cost of the equity-settled program is measured at the fair value of the options, at the grant date. The cost is recognized as 'employee benefit expenses', with a corresponding increase in equity, over the vesting period. The vesting period is the period over which the specified vesting conditions are to be satisfied.

At the end of each reporting period, the Group revises its best estimates of the number of options expected to vest, recognizing in the statement of comprehensive income the difference between the cumulative expense at the beginning and period-end dates, with a corresponding adjustment to equity.

When the options vest in annual instalments over the vesting period, in substance it implies that each instalment has a different vesting period. Therefore, the Group accounts for each "tranche" as a separate award.

The Group recognizes social security taxes from its share-based payments in line with IAS 37 'Provisions, contingent liabilities and contingent assets'. The Group assumes that the activity that triggers the payment is the granting of the options to its employees and measures the liability as the share price per the reporting date, minus the strike price of the options, multiplied by the current applicable social security tax rate.

Shares, subscription rights, warrants, options	Total	Issued	Exercise price	Proceeds if exercised
Issued shares as of Dec 31, 2024	62 898 669	62 898 669		
Share-based compensation	5 740 000	5 735 500	11.47	65 786 185
Total as of Dec 31, 2024	**68 638 669**	**68 634 169**		**65 886 185**

Issued shares as of December 31, 2024 amounted to 62,898,669 shares. With additional shares potentially subscribed for under the Share based compensation arrangement, the total number of shares potentially issued would 68, 638, 669 shares.

Execution of options

On August 14, 2024, a former member of the Company's board of directors and a former employee exercised respectively 100,000 and 10,000 options (in total 110,000 options) under the Company's share incentive programme at a strike price of NOK 10 per share. Thus, the Board of Directors issued 110,000 new shares at a subscription price of NOK 10 per share, pursuant to the Board's authorization to issue new shares granted in the Company's annual general meeting on May 8, 2024. As a result of this the number of shares increased by 110,000, giving a total number of shares of 62,898,669.

Share based compensation scheme

On June 30, 2021, the Annual General Meeting approved a share-based compensation program for employees and board members with a volume of up to 5,000,000 options (which would equal the same number of shares if options are exercised). At the annual general assembly on May 8, 2024, it was resolved that the frame of the share-based compensation program in the Company is extended from 5,000,000 to 5,850,000 shares. Of these 1,087,500 have now been allocated to members of the Board and additional 4,758,000 options have been allocated to employees, while 4,500 options have not been allocated. Of these, 110,000 options has been executed, leaving current outstanding options of 5,735,500. The compensation program had its first effective date July 1, 2021.

Terms for Capsol Technologies Board members

Strike NOK 10.00 to NOK 15.88, vesting three years with 1/3 each year.

Terms for Capsol Technologies employees

Strike NOK 10 to NOK 22,60. Vesting shall be over a period of 3 years with 25% vested year 1, 25% vested year 2 and 50% vested year 3. If a participant ceases to be employed by the Group within this period, non vested options will be forfeited, except in limited circumstances that are approved by the board on a case-by-case basis.

Cost of share-based payment

For cost related to share-based payment see note 3.3.

Options issued under the share based compensation scheme:

	Allocation	Strike price	Issue date	Vesting
Person (Board Members)				
Endre Ording Sund (Chair)	100 000	10.00	Jul 1, 2021	three years with 1/3 each year
Einar Chr. Lange	100 000	10.00	Jul 1, 2021	three years with 1/3 each year
Claes Oskar Nygren (Retired from Board)	-	10.00	Jul 1, 2021	Options executed
John Arne Ulvan	225 000	10.00	Jul 1, 2021	three years with 1/3 each year
Monika Inde Zsak	225 000	10.00	Jul 1, 2021	three years with 1/3 each year
Wayne Thomson	225 000	15.88	Jul 1, 2022	three years with 1/3 each year
Ellen Merete Hanetho	112 500	13.95	Sep 27, 2023	three years with 1/3 each year
Total Board	**987 500**			
Person (CEO and senior management)				
Wendy Lam, CEO (From Feb15, 2024)	850 000	12.50	Feb 15, 2024	three years with 1/3 each year
Jan Kielland, CEO (Until Feb15, 2024, left Jul 3, 2024)	850 000	10.00	Jul 1, 2021	three years with 1/3 each year
Ingar Bergh, CFO	750 000	10.00	Jul 1, 2021	three years with 1/3 each year
Sam Thivolle, CDO	100 000	12.75	Oct 1, 2024	three years with 1/3 each year
Cato Christensen, CTO	500 000	11.50	Aug 15, 2022	three years with 1/3 each year
Johan Jungholm, CCO	230 000	13.00	Oct 18, 2021	three years with 1/3 each year
Philipp Staggat, CPO	240 000	13.64	Oct 1, 2021	As above (two tranches 190,000 issued Oct 1, 2021 50,000 issued Dec 13, 2023)
Total CEO and senior management	**2 570 000**			
Total other employees (average weigthed)	**2 178 000**		Jul 1, 2021-Sep 1, 2022	3 years with 25% in year 1, 25% in year 2 and 50% in year 3
Total issued to Board and employees	5 735 500			
Not allocated options in program	4 500			
Total executed	110 000			
Total for the program	**5 850 000**			

Details of the share options outstanding during the year are as follows:

	Dec 31, 2024		Dec 31, 2023	
	Number of share options	**Weighted average exercise price**	**Number of share options**	**Weighted average exercise price**
Outstanding at beginning of year	4 998 000	12.18	4 645 000	11.29
Granted during the year	1 070 000	12.65	658 000	13.06
Forfeited during the year	222 500	12.71	305 000	14.81
Exercised during the year	110 000	10.00	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	**5 735 500**	**11.47**	**4 998 000**	**12.18**
Exercisable at the end of the year	3 940 750	10.93	2 170 833	10.86

The options outstanding on December 31, 2024,had a weighted average exercise price of 11.47. In 2024, options were granted on throughout the year. The weighted average share price at the date of exercise for share options exercised during the period was 14.10 The aggregate of the estimated fair net values of the options granted and forfeited during the years is about 5,8 million.

	Dec 31, 2024	Dec 31, 2023
Weighted average share price	12.65	12.18
Weighted average exercise price	12.65	12.18
Expected volatility	62.6%	50%
Expected life	3.25	5.25
Risk-free rate	3.65%	3.43%

Expected Lifetime:

2023 and older: grant date to expiry date (in accordance with historical practice) 2024 and forward: grant date to vesting date + 1 year (industry standard) volatility: 2023 and older: fixed at 50% based on a peer group analysis (in accordance with historical practice) 2024 and forward: volatility is calculated as the historical volatility of the share price as of the grant date, using a period that matches the expected lifetime The Group recognized total expenses of 4.7 million and 6.9 million related to equity-settled share-based payment transactions in 2024 and 2023 respectively. Including provisions for employment tax.

3.4 Depreciation and Amortization

Accounting policies
Depreciation and amortization expenses are measured on a straight-line basis over the estimated useful life of the asset commencing when the asset is ready for its intended use.

Specification of depreciation and amortization by asset category:

	2024	2023
Amounts in NOK		
Machinery & equipment	11 670 564	6 243 787
Right of use assets	2 063 285	1 493 489
Patents	431 794	431 794
Total	**14 165 644**	**8 169 069**

Information on estimated useful lives per asset category see note 4.1

3.5 Other operating expenses

Other operating expenses mainly relate to professional fees and other administrative fees in developing the business of Capsol Technologies. Internal costs to develop the CapsolGo® units have been recognized as part of property, plant and equipment.
For other research and development costs in Capsol, management has assessed that the requirements to capitalize is not present refer to section 4.1.

	2024	2023
Amounts in NOK		
Short term and low value leases	429 596	284 641
Professional fees	21 456 009	11 220 948
Other general and administrative expenses	16 416 116	10 856 252
Capitalized cost	92 198	-92 198
Total	**38 393 919**	**22 269 643**

3.5.1 Auditor remuneration

Auditor remuneration	**2024**	2023
Amounts in NOK		
Fee for statutory audit services	775 119	425 781
Fees for other attestation services	122 475	49 619
Fee for tax advice	130 541	48 575
Fee for other services	199 988	18 925
Total	**1 228 122**	**542 900**

3.6 Taxes

Accounting policies

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 22% of temporary differences and the tax effect of tax losses carried forward. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized. Taxes payable and deferred taxes are recognized directly in equity to the extent that they relate to equity transactions.

This period's tax expense	**2024**	2023
Amounts in NOK		
Payable tax	-	-
Changes in deferred tax	-	-
Tax expense on ordinary profit/loss	-	-
Taxable income		
Ordinary result before tax	-32 780 247	-43 408 498
Permanent differences	-5 144 490	2 342 047
Changes in temporary differences	-2 351 793	6 257 644
Taxable income	**-40 276 526**	**-34 808 808**
Reconciliation of tax expense:		
Ordinary result before tax	-32 780 242	-43 408 498
Tax expense 22%	-7 211 653	-9 549 870
Tax effect on permanent differences	-1 131 788	515 250
Prior year adjustment	476 243	-
Not recognized deferred tax assets	7 867 198	9 034 619
Net tax expense	-	-

Deferred tax liabilities/deferred tax assets

The tax effect on temporary differences and tax loss carried forward that has formed the basis for deferred tax and deferred tax assets, specified on type of temporary differences.

	Dec 31, 2024	Dec 31, 2023	Changes
Amounts in NOK			
Temporary differences	4 892 099	-5 439 011	6 257 644
Tax loss carried forward	-147 341 067	-108 489 334	34 808 808
Total	**-142 448 968**	**-113 928 345**	**41 066 451**
22% deferred tax asset	-31 338 773	-25 064 236	9 034 619
Not recognized	31 338 773	25 064 236	-9 034 619
Deferred tax asset recognized	-	-	

Capsol has not yet achieved taxable income and has therefore not recognized any deferred taxable assets. Total carry forward losses at period end December 31, 2024 is NOK 147.3 million. As such, there are no uncertain tax positions in the Group at period end December 31, 2024 and December 31, 2023.

Accounting policies

Transactions in foreign currency. Foreign currency transactions are translated into NOK using the exchange rates on the transaction date. Monetary balances in foreign currencies are translated into NOK at the exchange rates on the date of the balance sheet. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

3.7 Financial items

Classification of net financial items	**2024**	2023
Amounts in NOK		
Other interest income	2 646 697	1 010 364
Currency gain	6 124 273	3 990 313
Other interest expense	-4 182 062	-272 108
Interest expense lease	-590 125	-471 688
Currency loss	-6 730 913	-4 256 881
Net financial items	**-2 732 131**	**-1 927 256**

3.8 Earnings per share

Accounting policies

Basic earnings per share is calculated by dividing the profit attributable to owners of Group, excluding any costs of servicing equity other than ordinary shares; by the weighted average number of ordinary shares outstanding during the financial year.

Basic and diluted earnings per share	**2024**	2023
Amounts in NOK		
Profit/(loss) for the year	-32 782 322	-43 408 498
Total basic and diluted earnings per share attributable to the ordinary equity	**-0.54**	**- 0.81**
Weighted average number of shares used as the denominator		
Weighted average number of shares used in basic earnings per share	60 897 045	53 533 395
Potential dilutive effect of granted share options	5 740 000	4 998 000
Of which are anti-dilutive[1]	-5 740 000	-4 998 000
Weighted average number of shares used in diluted earnings per share	60 897 045	53 533 395

[1]The granted share options have an anti-dilutive effect on diluted earnings per share as the Group are having losses and are not included in the calculation of weighted number of shares used in the diluted earnings per share calculation. Basic and dilutive number of shares used in the earnings per share calculation are the therefore the same.

4 NON-FINANCIAL ASSETS

4.1 Intangible assets

Accounting policies

The Company holds patented technology for large-scale CO_2 capture in power production and other industrial applications and started to depreciate the patents in 2021. Intangible assets are initially recognized at cost and amortized to their residual values over their economic useful life using the straight-line method. Estimated residual values and expected useful lives of assets are reviewed by the Group at least at each financial reporting date. The patents have an average useful life of 17 years from the start of its amortization in 2021. Development costs are only capitalized if the product or process is technically and commercially feasible and it is probable that the intangible asset will generate future economic benefits. Capitalized development mainly includes costs of materials and services, and internal labor costs used in generating the intangible assets.

Research and development

Significant judgement

Capsol's research and development activities relate mainly to development of the patents on carbon capture technology. Internal costs to develop the CapsolGo® units have been recognized as part of property, plant and equipment. In addition, development of a new technological digital platform has been recognized in 2024. For other research and development costs relating to the developing the patents and technology, management has assessed that the requirements to capitalise is not present.

R&D Technology

The additions during 2024 relate to Capsol's feasibility and engineering studies where the purpose of the project is to develop the products and services further. Capsol has obtained some residual income during the development phase of these projects, and these proceeds have not been deducted from the cost of the intangible assets. Up until 2023, Capsol has not capitalized any development costs. However, in 2024, management considers the development of the CapsolGT® product to meet the recognition requirements indicated above, and therefore, has started to capitalize costs from these projects.

Intangible assets 2024	Patents	Digital Platform	R&D Technology	**Total**
Amounts in NOK				
Accumulated cost on Jan 1, 2024	7 340 500	1 292 394	-	8 632 894
Additions	-	672 618	5 195 634	5 868 252
Accumulated cost on Dec 31, 2024	7 340 500	1 965 012	5 195 634	14 501 146
Accumulated depreciation and impairment at Jan 1, 2024	- 1 295 382	-	-	-1 295 382
Amortization for the year	-431 794	-	-	-431 794
Accumulated depreciation and impairment Dec 31, 2024	-1 727 176	-	-	- 1 727 176
Net carrying amount on Dec 31, 2024	**5 613 325**	**1 965 012**	**5 195 634**	**12 773 970**
Depreciation method	Straight line	Straight line		
Useful life	17	5		

The Digital Platform and R&D Technology is still under development and is not amortized as of year-end December 31, 2024.

Intangible assets 2023	Patents	Digital Platform	**Total**
Amounts in NOK			
Accumulated cost on Jan 1, 2023	7 340 500	-	7 340 500
Additions	-	1 292 394	1 292 394
Accumulated cost on Dec 31, 2023	7 340 500	1 292 394	8 632 894
Accumulated depreciation and impairment on Jan 31, 2023	- 863 588	-	-863 588
Amortization for the year	-431 794	-	-431 794
Accumulated depreciation and impairment Dec 31, 2023	- 1 295 382	-	- 1 295 382
Net carrying amount on Dec 31, 2023	**6 045 118**	**1 292 394**	**7 337 512**
Depreciation method	Straight line	Straight line	
Useful life	17	5	

4.2 Property, plant and equipment

Accounting policies

Property, plant and equipment ('PPE') is initially recognized at cost and subsequently measured at cost less accumulated depreciation and impairments.

Estimated residual values and expected useful lives of assets are reviewed by the Group at least annually. In estimating the remaining useful lives of the assets, Management considers the expected level of use; the expected physical wear and tear together with the maintenance plans; and any technical, legal or commercial obsolescence arising from, among others, laws and regulations affecting health, safety or environmental regulations.

Property, plant & equipment	**Dec 31, 2024**	Dec 31, 2023
Amounts in NOK		
Accumulated cost on Jan 1	73 797 627	25 090 070
Additions	25 531 159	51 218 785
Government grants*	2 511 228	-2 511 228
Accumulated cost on Dec 31	101 840 014	73 797 627
Accumulated depreciation and impairment on Jan 1	-6 530 031	-286 244
Depreciation for the year	-11 670 564	-6 243 787
Accumulated depreciation and impairment Dec 31	-18 200 595	-6 530 031
Net carrying amount on Dec 31	**83 639 419**	**67 267 596**
Depreciation method	Straight line	Straight line
Useful life	5	5

**The government grants that reduce the cost of the PPE assets are related to SkatteFUNN, see section 7.2 for further information.*

4.3 Impairment of a non-financial assets

Accounting policies

Non-financial assets held by the Group are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.
An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Impairment assessment

There have not been identified any indicators of impairment in 2024.

5 OTHER CURRENT ASSETS AND LIABILITIES

5.1 Other current receivables

	Dec 31, 2024	Dec 31, 2023
Amounts in NOK		
Government grant	1 612 106	3 432 016
Prepaid Expenses	2 936 208	2 122 447
VAT receivable	2 631 208	3 734 260
Other receivables	106 198	137 930
Total other current receivables	**7 285 720**	**9 426 653**

5.2 Other current liabilities

	Dec 31, 2024	Dec 31, 2023
Amounts in NOK		
Accrued interest	333 773	264 774
Accrued expenses	4 560 416	2 417 127
Accrued employee expenses	5 223 078	4 839 535
Other	10 297	10 135
Total other current liabilities	**10 127 564**	**7 531 571**

6 FINANCIAL INTRUSTMENTS

This section provides insights into Capsol Technologies' financial instruments, including financial risk and capital management.

6.1 Financial assets and liabilities

Accounting policies

Capsol Technologies has only financial instruments measured at amortized cost. The Group has not had any financial instruments measured at fair value in the reporting period January 1, 2024, to December 31, 2024; and the same for the period January 1, 2023, to December 31, 2023.

The financial instruments' amortized cost is considered to be a close approximation to their fair value.

Financial assets	**Dec 31, 2024**	Dec 31, 2023
Amounts in NOK		
Financial assets measured at amortized cost		
Accounts receivables	30 676 954	9 821 949
Cash and cash equivalents	64 443 690	41 615 681
Total financial assets	**95 120 644**	**51 437 630**

Financial liabilities	**Dec 31, 2024**	Dec 31, 2023
Amounts in NOK		
Financial liabilities measured at amortized cost		
Non-current lease liability	4 787 621	6 621 710
Debt to financial institutions	46 842 277	63 713 587
Current lease liability	2 109 137	1 880 567
Trade creditors	15 374 658	15 324 695
Other current liabilities	-	264 774
Total financial liabilities	**69 113 193**	**87 805 333**

6.2 Borrowings

Accounting policies

Borrowings are initially recognized at fair value, net of transaction costs incurred that are directly attributable to the issuance of the financial liability. After initial recognition, borrowings are measured at amortized cost. Any difference between the net proceeds and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities except for the portion of the liability that is due to be settled more than twelve months after the reporting period, or for the portion the Group has an unconditional right to defer settlement for at least twelve months after the reporting period.

Overview of borrowings	**Dec 31, 2024**	Dec 31, 2023
Amounts in NOK		
Non-current		
Debt to credit institutions	27 613 473	45 212 693
Total non-current borrowings	**27 613 473**	**45 212 693**
Current		
Debt to credit institutions	19 228 804	18 500 894
Total current borrowings	**19 228 804**	**18 500 894**
Total borrowings	**46 842 277**	**63 713 587**

6.2.1 Relevant terms and conditions

Debt to financial institutions consist of three loans, with maturity in 2027 and 2028. Interest and principal are paid on quarterly instalments. The interest rate continues to be based on the NIBOR and EURIBOR index plus a margin of 2.9%p.a. See section 6.8.2 for an overview of the maturity.

6.2.2 Assets pledged as securities for liabilities

The debt to credit institutions requires certain assets to be pledged as security.
Assets pledged as security includes property, plant and equipment and accounts receivables.

Booked value of secured assets	**Dec 31, 2024**	Dec 31, 2023
Amounts in NOK		
Plant and equipment	83 639 419	67 267 596
Account receivables	30 676 954	9 821 949
Total	**114 316 373**	**77 089 545**

6.2.3 Compliance with covenants

Borrowings for Capsol are subject to the following covenants:

- Book equity should be positive at all times
- Capsol should at all times have positive cash equivalent to 1 year's interest and repayments of total debt to DNB Bank ASA

Capsol has complied with all the covenants throughout all the reporting periods presented in the financial statements. The Company expects to comply with these covenants going forward.

6.3 Leases

6.3.1 Nature of the lesee's leasing activities

Accounting policies

The Group recognizes right-of-use assets and lease liabilities for all lease contracts, except leases that are considered short-term (lease term of twelve months or less), or leases for underlying assets that are of a low value. Management considers as low value those assets that are worth NOK 50, 000 or less when new.

The Group has lease agreements related to offices and office equipment. The lease term for the present offices is of five years with options to both extend and terminate the lease contracts at Management's discretion. The Group is not typically subject to variable lease payments for its leases.

See section 6.8.2 for an overview of the lease's maturity.

6.3.2 Right-of-use assets

Accounting policies

The right-of-use assets are initially measured at cost, which comprises the initial amount of the lease liabilities less any lease payments made at or before the commencement date of the lease, and initial direct costs and lease incentives received.

Subsequently, right-of-use assets are measured at cost less accumulated depreciation and impairments and adjusted for certain remeasurements of the lease liabilities. Depreciation of the right-of-use asset is carried out using the straight-line method over the shorter of the lease term or the useful life of the underlying asset.

Right-of-use assets	**2024**	2023
Amounts in NOK		
On Jan 1	8 522 788	132 382
Additions	295 547	9 883 894
Depreciation charge	-2 063 285	-1 493 489
On Dec 31	**6 755 051**	**8 522 788**

Right of use assets are related to the following assets type:

	Dec 31, 2024	Dec 31, 2023
Amounts in NOK		
Office	6 437 548	8 110 034
Office equipment	317 503	412 754
Total right-of-use assets	**6 755 051**	**8 522 788**
Depreciation method	Straight line	Straight line
Useful life	5	5

6.3.3 Lease liabilities

Accounting policies

Lease liabilities are recognized at the lease commencement date. The lease liabilities are measured as the present value of future lease payments, discounting by the Group's incremental borrowing rate.
Lease payments mainly consist of fixed payments, which are typically updated by changes on consumer price indexes or interest rate levels. Lease liabilities are measured at amortized cost using the effective interest rate method. If there is a change in future lease payments arising from a change in an index or rate, there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or the Group changes its assessment of whether it will exercise a purchase, extension or termination option, the liability is remeasured and a matching adjustment is made to the carrying amount of the related right-of-use asset. No significant changes in this regard have occurred during the period.

	Dec 31, 2024	Dec 31, 2023
Amounts in NOK		
Current	2 109 137	1 880 567
Non-current	4 787 621	6 621 710
Total lease liability	**6 896 758**	**8 502 277**

See section 6.8.2 for an overview of the maturity.

Changes in lease liabilities

	2024	2023
Amounts in NOK		
Opening balance Jan 1	8 502 277	144 729
Principal repayments	-1 901 066	- 1 526 346
Interest expense	590 126	471 688
Interest paid	-590 126	- 471 688
New leases	295 547	9 883 894
Closing balance Dec 31	**6 896 758**	**8 502 277**

6.3.4 Amounts recognized in the statement of comprehensive income and statement of cash-flows

The following amounts have been recognized in the income statement in relation to leases

Amounts recognized in the income statement	**2024**	2023
Amounts in NOK		
Interest expense (included in finance cost)	590 126	471 688
Expense relating to short-term and low-value leases	-	-
Expense relating to depreciation	2 063 285	1 493 489
Total	**2 653 411**	**1 965 177**

Additional information/sensitivity analysis	**2024**	2023
Effect on lease liabilities if the discount rate increases by 1%	-137 935	-150 278
Effect on lease liabilities if the discount rate decreases by 1%	137 935	155 409
The total cash outflow for leases in NOK	**2 491 192**	**1 998 035**

6.4 Reconciliation of cash flows from financing activities

Reconciliation cash flow from financing activities	Borrowings	Lease liabilities	Total
Amounts in NOK			
Liabilities from financing activities on Jan 1,2023	**23 000 000**	**144 729**	**23 144 729**
Financing cash flow (payments)	-5 822 146	-1 526 346	-7 348 492
Cash inflows from new borrowings	48 996 562	-	48 996 562
New leases	-	9 883 894	9 883 894
FX changes loan	-2 460 828	-	-2 460 828
Liabilities from financing activities on Dec 31, 2023	**63 713 588**	**8 502 277**	**72 215 864**
Liabilities from financing activities on Jan 1, 2024	**63 713 588**	**8 502 277**	**72 215 864**
Financing cash flow (payments)	-19 023 321	-1 901 066	-20 924 387
Cash inflows from new borrowings	-	-	-
New leases	-	295 547	295 547
FX changes loan	2 152 012	-	2 152 012
Liabilities from financing activities on Dec 31, 2024	**46 842 277**	**6 896 758**	**53 739 035**

6.5 Cash, cash equivalents and accounts

	Dec 31, 2024	Dec 31, 2023
Amounts in NOK		
Cash at bank	64 443 690	41 615 681
Total	**64 443 690**	**41 615 681**
Bank overdrafts	-	-
Balances per statement of cash flow	**64 443 690**	**41 615 681**
Restricted cash included in the above:		
Payment of employees' tax deduction	1 893 446	1 127 023
Client back guarantee	1 200 000	-
Total	**3 093 446**	**1 127 023**

6.6 Accounts receivables

	Dec 31, 2024	Dec 31, 2023
Amounts in NOK		
Accounts receivables	30 676 954	9 821 949
Total accounts payables	**30 696 954**	**9 821 949**

No allowance for impairment of accounts receivables for the reporting period end December 31, 2024. For credit risk, refer to section 6.8.1.

Accounting policies
Accounts receivables are recognized at the original invoiced amount, less impairment losses. The invoiced amount is considered to be approximately equal to the value derived if the amortized cost method would have been used. Impairment losses are estimated based on the expected credit loss method (ECL) for accounts receivables, contract assets (with or without a significant financing component) and other receivables.

6.7 Accounts payables

	Dec 31, 2024	Dec 31, 2023
Amounts in NOK		
Accounts payables	15 374 658	15 324 695
Total accounts payables	**15 374 658**	**15 324 695**

6.7.1 Contingent liabilities

Capsol Technologies ASA is involved in an ongoing dispute related to claims concerning services and equipment. While the matter remains unresolved, management considers a settlement to be the most probable outcome. As part of this dispute, an amount of NOK 2,525,744 is included in trade creditors in the Company's accounts. Based on the current assessment, the likelihood of an outflow of resources embodying economic benefits beyond booked vendor debt is considered less than 50%. Accordingly, no provision has been recognized under IAS 37, but the matter is disclosed as a contingent liability.

6.8 Financial risk and capital management

As indicated in note 6.1, financial assets held by the Group mainly comprise cash and cash equivalents and trade receivables. Financial liabilities are of borrowings, lease liabilities, and trade payables. In conducting its operations, the Group faces the following main types of risks: credit risk, liquidity risk and market risk. Management keeps track of the evolution of the different risks, and the potential impact to the Group. The Group has not entered into any derivative contracts to manage its exposure to financial risks during 2024.

6.8.1 Credit risk

Credit risk is the risk that a customer or one party to a financial asset instrument will cause a financial loss for the Group by failing to settle its obligation. The Group is exposed to credit risks in conducting its ordinary activities, however, customers are generally larger national or multinational groupings, with a low credit risk score.

6.8.2 Liquidity risk

Liquidity risk is the risk that the Group is unable to meet the obligations associated with its financial liabilities.
The Group manages its liquidity to ensure it has a sufficient liquidity reserve to meet the liabilities in the short and long term. Management develops a rolling forecast on liquidity, which are regularly monitored against the financial liabilities.

Maturities
The following table discloses the maturity analysis for non-derivative liabilities, showing its undiscounted remaining contractual liabilities:

On Dec 31, 2024	Carrying amount	Less than 3 months	3-12 months	1-5 years	More than 5 years	Total
Amounts in NOK						
Borrowings NOK	13 800 000	1 150 000	3 450 000	9 200 000	-	13 800 000
Borrowings EUR	33 042 277	3 657 201	10 971 603	18 413 474	-	33 042 277
Lease liabilities	6 896 758	617 673	1 853 020	4 426 065	-	6 896 758
Total financial liabilities	**53 739 035**	**5 424 874**	**16 274 623**	**32 039 539**	**-**	**53 739 035**

On Dec 31, 2023	Carrying amount	Less than 3 months	3-12 months	1-5 years	More than 5 years	Total
Amounts in NOK						
Borrowings NOK	18 400 000	1 150 000	3 450 000	13 800 000	-	18 400 000
Borrowings EUR	45 313 587	3 475 223	10 425 670	31 412 693	-	45 313 587
Lease liabilities	8 502 277	617 673	1 853 020	7 440 493	-	9 911 186
Total financial liabilities	**72 215 864**	**5 242 897**	**15 728 690**	**52 653 186**	**-**	**73 624 773**

6.8.3 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group is mainly exposed to interest rate and foreign currency risk.

Interest rate risk

The Group's exposure to interest rate risk arises from long-term borrowings with variable rates (see note 6.1 and 6.2 for further information) based on the NIBOR and EURIBOR rate applicable at each point in time.

Interest rate sensitivity analysis	2024	2023
Profit and loss effect by increase in borrowing rate of 5%	2 721 118	3 610 793

The Group has not entered any interest rate swaps agreement or other interest rate hedges to mitigate risk related to increase in the variable interest rate of its loans.

Currency risk

The Group's primary operational foreign currency risk is linked to fluctuations in the value of Euro versus Norwegian Krone. From 2023, the revenue and borrowings are mainly in Euro, while the running costs are in either Euro or Norwegian Krone. Management has as of year-end December 31, 2024.
The following assets and liabilities are subject to foreign exchange risk, at each reporting period.

On Dec 31, 2024	EUR	GBP	USD
Financial assets	**4 113 598**	-	24 946
Accounts receivables	797 640	-	-
Cash and bank deposits	3 315 958	-	24 946
Financial liabilities	**-3 039 460**	**-6 354**	**-30 236**
Trade payables	-238 080	-6 354	-30 236
Debt to financial institutions	-2 801 380	-	-

On Dec 31, 2023	EUR	GBP	USD
Financial assets	**5 394 456**	**-**	**-**
Accounts receivables	1 929 670	-	-
Cash and bank deposits	3 464 786	-	-
Financial liabilities	**- 5 062 834**	**- 25 619**	**- 83 275**
Trade payables	- 1 021 774	- 25 619	- 83 275
Debt to financial institutions	- 4 041 060	-	-

The following table illustrates how the profit before tax would be affected by positive or negative changes in the exchange rates with respect to the functional currency of the Company, leaving every other constant the same:

Exchange rate sensitivity analysis	2024	2023
Increase in EUR/NOK exchange rate of 10%	715 306	33 162
Increase in GBP/NOK exchange rate of 10%	-635	-2 562
Increase in USD/NOK exchange rate of 10%	-5 518	-8 327

6.8.4 Capital management: objectives, policies and processes

The Group defines capital as equity, including other reserves. The Group's main objective when managing capital is to ensure the ability of the Group to continue as a going concern and to meet all requirements imposed by the external financing agreements.

6.9 Share capital

6.9.1 Share capital and share premium

The share capital consists only of shares, with a par value of 0.5 NOK each. All shares are entitled to equal rights with respect to dividends, voting rights and other rights in accordance with Norwegian corporate law.

	Number of shares		Amounts in NOK	
Authorized shares	**Dec 31, 2024**	Dec 31, 2023	**Dec 31, 2024**	Dec 31, 2023
Amounts in NOK				
Fully paid ordinary shares	62 898 669	53 533 395	31 449 334	26 766 697
Total share capital	**62 898 669**	**53 533 395**	**31 449 334**	**26 766 697**

6.9.2 Movements in ordinary shares

	Number of shares	Par value per share (NOK)	Share capital (NOK)	Share premium total (NOK)
Movements in ordinary shares				
Opening balance on Jan 1, 2023	**53 533 395**	**1**	**53 533 395**	**81 072 850**
Equity restructuring (reduction of par value)[1]				
Reduction of nominal value		-0.5	-26 766 698	-
Closing balance on Dec 31, 2023	**53 533 395**	**0.5**	**26 766 697**	**81 072 850**
Opening balance on Jan 1, 2024	**55 533 395**	**0.5**	**26 766 697**	**81 072 850**
Capital increase Feb 16	7 005 274	0.5	3 502 637	84 763 815
Capital increase Jun 5	2 250 000	0.5	1 125 000	28 800 000
Execution of employee share options	110 000	0.5	55 000	1 045 000
Transactional costs	-	-	-	-9 623 292
Closing balance on Dec 31, 2024	**62 898 669**	**0.5**	**31 449 334**	**186 058 374**

[1] At the Extraordinary General Meeting on September 27, 2023, a reduction of share capital, by reducing the nominal value of the shares was concluded in order to facilitate the conversion of the Company to a public limited liability company ("ASA"). The reduction was transferred to other equity. The new capital of the Company is NOK 26, 766, 698 divided on 53,533,395 shares, each with a nominal value of NOK 0.5.

6.9.3 Shareholders

The share capital consists of 62,898,669 shares with a nominal value of NOK 0.5 total NOK 31,449,334 and is fully paid. Each share provides one vote. The Company has one class of shares.

Shareholders as of December 31, 2024

Rederiaktieselskapet Skrim	9 546 474	15,18%
SEOTO AS	5 172 677	8,22%
Aquila Holdings Investment AS	4 033 188	6,41%
DNB Bank ASA	3 483 737	5,54%
MP Pensjon PK	2 886 800	4,59%
T.D. Veen AS	2 093 202	3,33%
Danske Bank A/S	1 804 799	2,87%
F2 Funds AS	1 604 629	2,55%
Alphecca AS	1 600 000	2,54%
Redback AS	1 549 769	2,46%
Tigerstaden AS	1 500 000	2,38%
Mathisen	1 410 578	2,24%
F1 Funds AS	1 257 538	2,00%
GM Capital AS	1 200 000	1,91%
Danske Invest Norge Vekst	1 179 850	1,88%
Engelsviken Fryseri AS	1 143 891	1,82%
The Northern Trust Company, London Branch	1 130 000	1,80%
Daimyo Invest AS	1 030 000	1,64%
Q Capital AS	998 490	1,59%
Tone Bekkestad AS	772 673	1,23%
Remaining investors	17 500 374	27,82%
Total	**62 898 669**	**100,00%**

The Company's shares are VPS-registered and listed on Euronext Oslo Børs from June 19, 2024. Numbers of shares and share subscription rights held by the board and CEO and leading senior management, including shares held by companies controlled by the representatives:

Person	Position	Shares
Endre Ording Sund	Chair of the Board	-
John Arne Ulvan	Member of the Board	19 841
Monika Inde Zsak	Member of the Board	5 952
Ellen Hanetho	Member of the Board	-
Wayne Thomson	Member of the Board	11 904
Wendy Lam	CEO	38 198
Ingar Bergh	CFO	30 673
Sam Thivolle	CDO	15 037
Cato Christensen	CTO	-
Johan Jungholm	CBDO	63 492
Philipp Staggat	CPO	4 000

Rights under the management incentive scheme are not included, cf. note 7.3.1.

7. OTHER

7.1 Subsidiaries

As of December 31, 2024, the Group's subsidiaries are:

Subsidiaries	Country	Purchase date	Ownership and voting interest
CapSol-EoP AS	Norway	Oct 29, 2015	100%
Capsol Engineering AB	Sweden	Nov 25, 2016	100%
Capsol Technologies LLC	USA	Aug 31, 2023	100%

7.2 Government grants

Accounting policies

Government grants are recognized when there is reasonable assurance that the Group will comply with the conditions attaching to them; and the grant will be received.

Government grants relating to the purchase of property, plant and equipment are normally included as a reduction of the carrying amount of the related assets. These provisions are recognized in the consolidated statement of financial performance, on a systematic basis, as an offset to the depreciation expenses from the Group.

Government grants relating to costs are deferred and recognized in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Capsol has received the following government grants

	2024	2023
Amounts in NOK		
SkatteFUNN	1 612 106	2 511 228
Reversed due to pending clarifications	-3 246 348	-
Government grants received	**-1 634 242**	**2 511 228**

Capsol has recognized government grants related to the Norwegian R&D tax incentive scheme (SkatteFUNN) with development of the CapsolGo® units, recognized as Property, plant and equipment. The grant has reduced the initial acquisition cost of the property, plant and equipment with grants received. Some personnel and other operating expenses have been capitalized as part of the SkatteFUNN project.

7.3 Related parties

7.3.1 Key management personnel compensation

The following table provides an overview of the compensation to key management personnel by the Group:

Board of Directors

Amounts in NOK	**2024**	2023
Endre Ording Sund, Chair of the Board	475 000	300 000
Einar Chr. Langem, Director (Retired Jun)	181 500	187 500
John Arne Ulvan, Director	318 750	187 500
Monika Ind Zsak, Director	318 750	187 500
Wayne Thomson, Director	415 070	187 500
Ellen Hanetho, Director	336 700	75 000
Wendy Lam, Director (Left Feb 15, 2024)	112 500	75 000
Total	**2 158 270**	**1 312 500**

CEO

Amounts in NOK	**2024**	2023
Jan Kielland, CEO (Until Feb15, 2024, left Jul 3, 2024)	2 149 794	2 757 382
Salary	1 060 564	1 739 306
Bonus	939 396	844 040
Post-employment benefits	141 932	167 229
Other benefits	7 902	6 807
Wendy Lam, CEO (From Feb 16, 2024)	2 081 205	-
Salary	1 898 059	-
Bonus	-	-
Post-employment benefits	161 213	-
Other benefits	21 933	-

Other senior executives

Amounts in NOK	**2024**	2023
Sam Thivolle, CDO (from Dec 1, 2024)	124 010	-
Salary	122 540	-
Bonus	-	-
Post-employment benefits	-	-
Other benefits	1 470	-
Ingar Bergh, CFO	2 773 501	2 317 722
Salary	1 767 278	1 414 349
Bonus	816 666	730 730
Post-employment benefits	161 963	158 865
Other benefits	25 594	13 778
Cato Christiansen, CTO	2 769 602	1 456 398
Salary	1 568 624	1 283 950
Bonus	1 023 288	-
Post-employment benefits	157 786	162 010
Other benefits	19 904	10 340
Johan Jungholm, CBDO	2 461 199	1 945 987
Salary	1 654 400	1 291 108
Bonus	727 274	469 927
Post-employment benefits	157 786	164 463
Other benefits	31 739	20 489
Philip Staggat, CPO	2 392 273	1 933 877
Salary	1 585 287	1 113 840
Bonus	630 703	685 875
Post-employment benefits	155 816	124 564
Other benefits	20 467	9 598
Robin Bodtmann, Managing Director, NA (from Nov 1,2024)		
Salary	471 743	-

7.3.2 Transactions with other related parties

Capsol Technologies ASA has engaged in transactions with related parties in the ordinary course of business. Wendy Lam, CEO of Capsol Technologies ASA, is a member of the Board of Directors of Green Transition Holding AS. Green Transition Holding AS owns 83% of Carbon Circle Holding AS. In 2024, Capsol Technologies ASA procured certain engineering services from Carbon Circle Holding AS for a total amount of NOK 1,244,438. The contractual relationship between Capsol Technologies ASA and Carbon Circle Holding AS was established prior to Wendy Lam's appointment as CEO of Capsol Technologies ASA. All transactions have been conducted on an arm's length basis and under normal commercial terms. Wendy Lam has not been involved in any decisions related to the procurement of services from Carbon Circle Holding AS. The transactions have been reviewed in accordance with the company's internal procedures for related party transactions to ensure compliance with applicable regulations and corporate governance standards.

7.4 Guarantees, contractual liabilities, contractual obligations

Guarantees

The Group has entered into guarantees related to the lease of offices. The bank guarantees the Group has entered into are of NOK1.6 million. Although guarantees are financial instruments, they are considered contingent obligations and the notional amounts are not included in the financial statements.

Contingent liabilities

Although guarantees are financial instruments, they are considered contingent obligations and the notional amounts are not included in the financial statements. Capsol does not have any continent obligations other than what is mentioned under Guarantees.

Contractual obligations

For more information concerning assessments of contingent liabilities on contracts, see note 6.7.1

7.5 Subsequent events

On February 27, 2025, Capsol Technologies ASA's nomination committee proposed Chris Barkey as New Chair of the Board to succeed Endre Ording Sund, who previously announced he will step down upon the conclusion of his term in 2025. The nomination of the new Chair will be presented for shareholder approval at the Annual General Meeting on May 21, 2025.

On January 27, 2025, Stockholm Exergi, the first large-scale project with Capsol's technology, was awarded EUR 1.7 billion by the Swedish government in the Swedish Energy Agency's reverse auction for BECCS. With the award by the Swedish government, the final investment decision (FID) for the BECCS project is expected to happen as soon as possible in 2025, initiating the construction of the carbon capture plant and associated infrastructure.

On January 15, 2025, Capsol Technologies was awarded an Engineering Services Agreement for a pre-FEED (Front-End Engineering Design) study for the CapsolEoP® (end-of-pipe) carbon capture technology at a cement plant in Europe. The study is for a plant aiming to capture 600,000 tonnes of CO_2 per annum.

On January 13, 2025, Capsol Technologies' first of two CapsolGo® demonstrations campaigns for cement producer SCHWENK commenced operations at the Akmenės cement plant in Lithuania. Following the demonstration campaign at the Akmenės plant, the CapsolGo® unit will be transferred to SCHWENK's Brocēni cement plant in Latvia, where a previous Capsol feasibility study was conducted in 2024.


CapsolGo®

Income statement

	Notes	2024	2023
Amounts in NOK			
Operating income and expenses			
Revenue		96 943 073	35 848 826
Total operating revenue	2	**96 943 073**	**35 848 826**
Costs of materials		21 737 675	9 286 069
Personnel expenses	3/4	49 834 454	37 426 643
Depreciation of intangible assets and plant and equipment	5/6	12 102 359	6 675 580
Other operating expenses	3/7	36 750 192	24 242 750
Total operating expenses		**120 424 680**	**77 631 042**
Operating loss		**-23 481 606**	**-41 782 216**
Financial income and expenses			
Other interest income		2 646 697	1 010 364
Other financial income		6 124 274	3 990 313
Other interest expenses		-4 158 329	-2 008 285
Other financial expenses		-6 754 646	-4 453 541
Net financial items	8	**-2 142 004**	**-1 461 149**
Loss before income tax		-25 623 610	-43 243 365
Income tax expense	9	-	-
Net loss		**-25 623 610**	**-43 243 365**
Allocation			
Loss brought forward to uncovered loss		25 623 610	43 243 365
Net loss brought forward		-25 623 610	-43 243 365

Balance sheet

	Notes	Dec 31, 2024	Dec 31, 2023
Amounts in NOK			
ASSETS			
Fixed assets			
Intangible assets			
Patents and digital platform		12 773 970	7 337 512
Total intangible assets	5	**12 773 970**	**7 337 512**
Plant and equipment		83 639 419	69 778 824
Total plant and equipment	6/15	**83 639 419**	**69 778 824**
Financial fixed assets			
Investments in subsidiaries	10	1	1
Investments in other companies		-	9 000
Loan to group companies	11	620 213	72 635
Other financial fixed assets		106 655	79 423
Total financial fixed assets		**726 868**	**161 060**
Total fixed assets		**97 140 257**	**77 277 396**
Current assets			
Debtors			
Accounts receivables	15	30 676 954	9 821 949
Group company receivables	11	4 048 405	-
Other short-term receivables		7 179 064	9 318 138
Total receivables		**41 904 423**	**19 140 087**
Cash and bank deposits	12	64 261 134	41 476 875
Total current assets		**106 165 557**	**60 616 962**
Total assets		**203 305 814**	**137 894 357**

Balance sheet

	Notes	Dec 31, 2024	Dec 31, 2023
Amounts in NOK			
EQUITY AND LIABILITIES			
Equity			
Paid-up equity			
Share capital	13	31 449 335	26 766 698
Share premium reserve		186 058 373	81 072 850
Other paid in capital		25 271 798	20 107 188
Total paid-up equity		242 779 506	127 946 736
Retained earnings			
Uncovered loss		-119 568 918	-93 945 308
Total retained earnings		-119 568 918	-93 945 308
Total equity	14	**123 210 589**	**34 001 428**
Liabilities			
Long term debt			
Debt to financial institutions	15	46 842 277	63 713 587
Total long-term debt		46 842 277	63 713 587
Short term debt			
Unearned income	2	4 025 044	11 746 322
Trade creditors		15 244 734	15 228 425
Public duties payable		3 764 603	3 070 631
Liabilities to group companies	11	101 300	101 300
Other current debt		10 117 267	10 032 664
Total short-term debt		33 252 948	40 179 342
Total liabilities		**80 095 225**	**103 892 929**
Total equity and liabilities		**203 305 814**	**137 894 357**

Oslo, April 9, 2025
The Board of Capsol Technologies ASA

Endre Ording Sund
Chair of the Board

John Arne Ulvan
Member of the Board

Monika Inde Zsak
Member of the Board

Wayne Thomson
Member of the Board

Ellen Merete Hanetho
Member of the Board

Wendy Lam
Chief Executive Officer

Cash flows

	Notes	2024	2023
Amounts in NOK			
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		-25 623 610	-43 243 365
Ordinary depreciation	5/6	12 102 359	6 675 580
Change in accounts receivable		-20 855 005	-7 826 474
Change in unearned income		-7 721 278	11 746 322
Change in trade creditors		16 309	13 945 616
Share based compensation scheme without cash impact	14	5 164 610	5 639 676
Change in other accrual items		-1 699 820	4 925 087
Net cash from operating activities		**-38 616 435**	**-8 137 558**
CASH FLOWS FROM INVESTMENT ACTIVITIES			
Investments in plant and equipment	5/6	-31 396 230	-52 511 178
Net cash from investment activities		**-31 396 230**	**-52 511 178**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from the issuance of new long-term liabilities	15	-	48 996 562
Currency conversion loan		2 152 084	-2 460 828
Down payment loan		-19 023 321	-5 822 146
Net proceeds from share issue	14	109 668 161	-
Net cash from financing activities		**92 796 924**	**40 713 588**
Net change in cash and cash equivalents		22 784 259	-19 935 148
Cash and cash equivalents at the start of the period		41 476 875	61 412 023
Cash and cash equivalents at the end of the period		**64 261 134**	**41 476 875**

1 ACCOUNTING PRINCIPLES

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway. All amounts are stated in Norwegian Kroner.

Use of estimates

The management has used estimates and assumptions that have affected assets, liabilities, incomes, expenses and information on potential liabilities in accordance with generally accepted accounting principles in Norway.

Foreign currency translation

Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into NOK using the exchange rate applicable on the balance sheet date. Non-monetary items that are measured at their historical price expressed in a foreign currency are translated into NOK using the exchange rate applicable on the transaction date. Non-monetary items that are measured at their fair value expressed in a foreign currency are translated at the exchange rate.

Revenue recognition

Consideration from sale of services is recognized at fair value of the consideration, net after deduction of VAT and discounts. Revenues from the sale of services are recognized in the income statement for the period when the service is performed.

Income tax

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 22% of temporary differences and the tax effect of tax losses carried forward.

Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized. Taxes payable and deferred taxes are recognized directly in equity to the extent that they relate to equity transactions.

Balance sheet classification

Current assets and short-term liabilities consist of receivables and payables falling due within one year, and items related to the inventory cycle. Other balance sheet items are classified as fixed assets / long term liabilities. Current assets are valued at the lower of cost and fair value. Short term liabilities are recognized at nominal value.

Fixed assets are valued at cost, less depreciation and impairment losses. Long term liabilities are recognized at nominal value.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets consist mainly of patents. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Intangible assets with finite useful lives are amortized on a straight-line basis over their estimated useful lives. The amortization expense is recognized in the income statement. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the income statement when the asset is derecognized.

Property, plant and equipment

Property, plant and equipment is stated at cost. Depreciation is recorded on a straight-line basis over the following estimated useful lives of the assets.

Expenditures for maintenance and repairs are charged to other expenses in the period incurred. Assets under construction are not depreciated until completed and ready for their intended use.

Investment in subsidiaries and associates

The cost method is applied for investments in subsidiaries and associates. The cost price is increased when funds are added through capital increases or when group contributions are made to subsidiaries. Dividends received are initially taken to income. Dividends exceeding the portion of retained equity after the purchase are reflected as a reduction in purchase cost. Dividend/group contribution from subsidiaries are reflected in the same year as the subsidiary makes a provision for the amount. Dividend from other companies is reflected as financial income when it has been approved. Taxes are recognized directly in equity to the extent that they relate to equity transactions.

Impairment of intangible assets and investments

Impairment tests are carried out if there is an indication that the carrying amount of an asset exceeds the estimated recoverable amount. The test is performed on the lowest level of fixed assets at which independent cash flows can be identified. If the carrying amount is higher than both the fair value less cost to sell and value in use (net present value of future use/ownership), the asset is written down to the highest of fair value less cost to sell and the value in use. Previous impairment charges, except write-down of goodwill, are reversed in later periods if the conditions causing the write-down are no longer present.

Accounts receivable and other receivables

Accounts receivable and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful accounts. Provisions for doubtful accounts are based on an individual assessment of the different receivables. For the remaining receivables, a general provision is estimated based on expected loss.

Pensions

The Company has a pension scheme for all employees, assessed as contribution plan. The pension scheme is financed through payments to an insurance company. After the contribution has been made, the Company has no further commitment to pay. The contribution is recognized as payroll expenses.

Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash, bank deposits and other short term, highly liquid investments with maturities of three months or less.

Share-based compensation

The Company provides incentives to employees in the form of equity-settled share-based instruments. Equity-settled share options are measured at fair value at grant date and recognized in the income statement under salary and personnel expenses over the period in which the final right of the options vest. The balancing item is recognized directly in equity. On initial recognition of share options, the number of options expected to vest at expiry is estimated. Subsequently the estimated number of vested options is revised for changes, so that the total recognition is based on the actual number of vested options. The fair value of the options granted is estimated using the Black-Scholes model.

Government grants

Governments grants are recognized when there is reasonable assurance that the Company will comply with the conditions for the scheme and the payment will be received. Governments grants relating to the purchase or development of property, plant and equipment are normally recognized as a reduction of the carrying amount of the related assets. Government grants regarding expenses that are recognized in the income statement as personnel expenses or other operating expenses are treated as a reduction of the related cost. The receivable amount regarding grants recognized but not received in cash is included under other short-term receivables.

2 REVENUE

Geographical distribution	2024	2023
Amounts in NOK		
Europe	96 943 073	35 848 826
US	-	-
Others	-	-
Revenue	**96 943 073**	**35 848 826**
Other operating income	-	-
Total revenue	**96 943 073**	**35 848 826**

Capsol Technologies currently has three revenue streams

- CapsolGo® demonstration units where the performance obligation is to provide the customers with one or more operation and testing packages (OTSP) to test the technology on the customers sites and facilities. Revenue is recognized over time over the planned demonstration period, normally between five-seven months.
- Engineering services and feasibility studies. Each agreed engineering service or feasibility study is a performance obligation. The revenue from engineering and feasibility studies are recognized point in time when predefined milestones are reached.
- Revenue from technology licensing is recognized in accordance with the underlying contract terms. Revenue is typically recognized when a defined milestone is achieved, such as a Final Investment Decision (FID). If a contract includes performance guarantee provisions, an appropriate portion of the revenue may be deferred, with contingencies recognized in accordance with IFRS 15. For licensing revenue booked to date, there are no outstanding guarantee commitments related to future performance.

Any costs to prepare the CapsolGo® demonstration units at site are a cost to fulfill the performance obligation and will be amortized over the planned testing period.

3 SALARY COST AND BENEFITS, REMUNERATION TO THE AUDITOR

Salary costs	**2024**	2023
Amounts in NOK		
Salaries	33 225 363	24 427 252
Employment tax	7 370 692	3 982 453
Other benefits	6 378 726	2 903 585
Share based compensation cost	5 164 610	5 639 676
Share based compensation incl. employment tax	-1 335 753	1 302 266
Tax refund (SkatteFUNN)	-969 184	-828 590
Total	**49 834 454**	**37 426 643**
Number of employees	34	21

Pension cost

The Company is liable to maintain an occupational pension scheme under the Mandatory Occupational Pension Act. The Company's pension scheme satisfies the requirements of this act. The pension cost is incl. under "other benefits" in the table above of NOK 2,871,030.

Auditor remuneration	**2024**	2023
Amounts in NOK		
Fee for statutory audit services	775 119	425 781
Fees for other certification services	122 475	49 619
Fee for tax advice	130 541	48 575
Fee for other services	199 988	18 925
Total	**1 228 122**	542 900

4 REMUNERATION TO BOARD OF DIRECTORS, CEO AND OTHER SENIOR EXECUTIVES

Board of Directors

Amounts in NOK	2024	2023
Endre Ording Sund , Chair of the Board	475 000	300 000
Einar Chr. Lange, Director (Retired Jun, 2024)	181 500	187 500
John Arne Ulvan, Director	318 750	187 500
Monika Ind Zsak, Director	318 750	187 500
Wayne Thomson, Director	415 070	187 500
Ellen Hanetho, Director	336 700	75 000
Wendy Lam, Director (Left Feb15, 2024)	112 500	75 000
Total	**2 158 270**	**1 312 500**

CEO and management participate in the company's share-based compensation program approved by the annual general meeting held June 30, 2021. The CEO also partakes in the Company's bonus program.The CEO's agreement has six months mutual termination. The Company has the right to terminate the agreement with immediate effect, should the Company decide to use this right, the CEO is entitled to twelve months severance pay. Board Members have no agreements for severance pay. There are no loans and other obligations for the Board, CEO or to the rest of the management.

CEO

Amounts in NOK	2024	2023
Jan Kielland, CEO (Until Feb 15, 2024, left Jul 3, 2024)	2 149 794	2 757 382
Salary	1 060 564	1 739 306
Bonus	939 396	844 040
Post-employment benefits	141 932	167 229
Other benefits	7 902	6 807
Wendy Lam, CEO (From Feb 15, 2024)	2 081 205	-
Salary	1 898 059	-
Bonus	-	-
Post-employment benefits	161 213	-
Other benefits	21 933	-

Other senior executives

Amounts in NOK	2024	2023
Sam Thivolle, CDO (from Dec 1, 2024)	124 010	-
Salary	122 540	-
Bonus	-	-
Post-employment benefits	-	-
Other benefits	1 470	-
Ingar Bergh, CFO	2 773 501	2 317 722
Salary	1 767 278	1 414 349
Bonus	816 666	730 730
Post-employment benefits	161 963	158 865
Other benefits	25 594	13 778
Cato Christiansen, CTO	2 769 602	1 456 398
Salary	1 568 624	1 283 950
Bonus	1 023 288	-
Post-employment benefits	157 786	162 010
Other benefits	19 904	10 340
Johan Jungholm, CBDO	2 461 199	1 945 987
Salary	1 654 400	1 291 108
Bonus	727 274	469 927
Post-employment benefits	157 786	164 463
Other benefits	31 739	20 489
Philip Staggat, CPO	2 392 273	1 933 877
Salary	1 585 287	1 113 840
Bonus	630 703	685 875
Post-employment benefits	155 816	124 564
Other benefits	20 467	9 598

5 INTANGIBLE ASSETS

Patents	**Dec 31, 2024**	Dec 31, 2023
Amounts in NOK		
Capitalized acquisition of patent rights at start of period	7 340 500	7 340 500
Additions		-
Accumulated depreciation	-1 727 176	-1 295 382
Total	**5 613 324**	**6 045 118**
Depreciation in the year	431 794	431 794
Depreciation plan	Straight line	Straight line
Estimated useful life from start of depreciation	17	17

Digital Platform	**Dec 31, 2024**	Dec 31, 2023
Amounts in NOK		
Capitalized acquisition of patent rights at start of period	1 292 393	-
Additions	672 618	1 292 393
Accumulated depreciation	-	-
Total	**1 965 011**	**1 292 393**
Depreciation in the year	-	-
Depreciation plan	Straight line	Straight line
Estimated useful life from start of depreciation	5	5

R&D Technology	**Dec 31, 2024**	Dec 31, 2023
Amounts in NOK		
Capitalized acquisition of patent rights at start of period	-	-
Additions	5 195 635	-
Accumulated depreciation	-	-
Total	**5 195 635**	-
Depreciation in the year	-	-
Depreciation plan	Straight line	Straight line
Estimated useful life from start of depreciation	5	5

Depreciations started in 2021 as the technology was considered ready for intended use.

The Company holds patented technology for large-scale CO_2 capture in power production and other industrial applications. Expected future uses and revenues are assumed to justify the value of capitalized cost price. Patent costs are expensed on an ongoing basis. Patent costs are also covered for patents held by subsidiaries.

Research & Development

Significant judgement

Capsol's research and development activities relate mainly to development of the patents on Carbon capture technology. Internal costs to develop the CapsolGo® units have been recognized as part of property, plant and equipment. In addition, development of a new technological digital platform has been recognized in 2024. For other research and development costs relating to the developing the patents and technology, management has assessed that the requirements to capitalize is not present.

The additions during 2024 relate to Capsol's feasibility and engineering studies where the purpose of the project is to develop the products and services further. Capsol has obtained some residual income during the development phase of these projects, and these proceeds have not been deducted from the cost of the intangible assets. Up until 2023, Capsol has not capitalized any development costs. However, in 2024, management considers the development of the CapsolGT® product to meet the recognition requirements indicated above, and therefore, has started to capitalize costs from these projects.

6 PROPERTY, PLANT & EQUIPMENT

	Dec 31, 2024	Dec 31, 2023
Amounts in NOK		
Capitalized acquisition	76 308 855	25 090 070
Additions	25 531 315	51 218 785
Accumulated depreciation	-18 200 750	-6 530 031
Total	**83 639 420**	**69 778 824**
Depreciation in the year	11 670 719	6 243 786
Depreciation plan	Straight line	Straight line
Estimated useful life from start of depreciation	5	5

7 OTHER OPERATING EXPENSES

	2024	2023
Amounts in NOK		
Rent	2 831 578	2 282 676
Professional fees	17 522 527	11 220 948
Other general and administrative expenses	16 321 889	10 831 324
Tax refund (SkatteFUNN)	92 198	-92 198
Total	**36 750 192**	**24 242 750**

The Company has a rental contract with Thune Eureka AS running from March 1, 2023 to 28 August 2028. The annual rent is NOK 2,882,460 for 2025. The rental contract is accounted for as operational lease.

8 CLASSIFICATION OF NET FINANCIAL ITEMS

	2024	2023
Amounts in NOK		
Other interest income	2 646 697	1 010 364
Currency gain	6 124 274	3 990 313
Other interest expense	-4 182 062	-2 204 945
Currency loss	-6 730 913	-4 256 881
Total	**-2 142 004**	**-1 461 149**

9 INCOME TAX EXPENSE AND DEFERRED TAX

This period's tax expense	**2024**	2023
Amounts in NOK		
Payable tax	-	-
Changes in deferred tax	-	-
Tax expense on ordinary profit/loss	-	-
Taxable income		
Ordinary result before tax	-25 623 610	-43 243 365
Permanent differences	-5 144 490	2 342 047
Changes in temporary differences	-2 351 793	6 092 510
Taxable income	**-33 119 893**	**-34 808 808**
Reconciliation of tax expense		
Ordinary result before tax	-25 623 610	-43 243 365
Tax expense 22%	-5 637 194	-9 513 540
Tax effect on permanent differences	-1 131 788	515 250
Prior year adjustments	476 243	-
Not recognized deferred tax assets	6 292 739	8 998 290
Net tax expense	-	-

Deferred tax/deferred tax assets

The tax effect on temporary differences and tax loss carried forward that has formed the basis for deferred tax and deferred tax assets, specified on type of temporary differences:

Deferred tax/deferred tax assets	**Dec 31, 2024**	Dec 31, 2023	Changes
Amounts in NOK			
Temporary differences	4 892 099	-5 273 877	-10 165 976
Tax loss carried forward	-147 258 670	-108 489 334	38 769 336
Total	**-142 366 571**	**-113 763 211**	**28 603 360**
22% deferred tax asset	-31 320 646	-25 027 906	6 292 739
Not recognized	31 320 646	25 027 906	-6 292 739
Deferred tax asset recognized	-	-	

10 SUBSIDIARIES

Subsidiaries (office)	Ownership and voting interest	Acquisition cost	Share of Equity Dec 31, 2024	Share of Results in 2024
Amounts in NOK				
CapSol-EoP AS (Oslo)	100%	750 000	-52 543	-
Capsol Engineering AB (Sweden) SEK[1]	100%	10 000	119 290	-22 104
Capsol Technologies LLC, Delaware, USA	100%	-	-4 584 558	-4 584 558
Write downs		-759 999		
Booked value		**1**		

Investments in subsidiaries are recognized at cost less accumulated impairment losses. The are no operational activities in the European subsidiaries and the investments have in previous years been written down from NOK 760,000 by NOK 759,999 to NOK 1 because the fair value is assessed to be lower than cost.

The subsidiaries in USA (Capsol Technologies LLC) started in 2024.

[1]The financial year for Capsol Engineering AB is ending August 31. The disclosed figures are denominated in SEK and regards the period September 1,2023- August 31, 2024.

11 GROUP COMPANY TRANSACTIONS

	2024	2023
Amounts in NOK		
Financial fixed assets		
Capsol-EoP AS	52 543	52 543
Capsol Technologies LLC, US	567 670	20 092
Loan to group companies	**620 213**	**72 635**
Debtors		
Capsol Technologies LLC, US	4 048 405	-
Group company receivables	**4 048 405**	-
Short term debts		
Capsol Engineering AB	101 300	101 300
Liabilities to group companies	**101 300**	**101 300**

As of end 2024 Transactions with Capsol Technologies LLC is not calculated with interest. From January 1, 2025, there will be an agreement in place regulating interest and arm's length policies for Group transactions.

12 CASH

Restricted bank deposit	Dec 31, 2024	Dec 31, 2023
Amounts in NOK		
Restricted cash included in the above:		
Payment of employees' tax deduction	1 893 446	1 127 023
Client back guarantee	1 200 000	-
Total	**3 093 446**	**1 127 023**

13 SHAREHOLDERS

The share capital consists of 62,898,669 shares with a nominal value of NOK 0.5 total NOK 31,449,334 and is fully paid. Each share provides one vote. The Company has one class of shares.

Shareholders as of December 31, 2024

Rederiaktieselskapet Skrim	9 546 474	15,18%
SEOTO AS	5 172 677	8,22%
Aquila Holdings Investment AS	4 033 188	6,41%
DNB Bank ASA	3 483 737	5,54%
MP Pensjon PK	2 886 800	4,59%
T.D. Veen AS	2 093 202	3,33%
Danske Bank A/S	1 804 799	2,87%
F2 Funds AS	1 604 629	2,55%
Alphecca AS	1 600 000	2,54%
Redback AS	1 549 769	2,46%
Tigerstaden AS	1 500 000	2,38%
Mathisen	1 410 578	2,24%
F1 Funds AS	1 257 538	2,00%
GM Capital AS	1 200 000	1,91%
Danske Invest Norge Vekst	1 179 850	1,88%
Engelsviken Fryseri AS	1 143 891	1,82%
The Northern Trust Company, London Branch	1 130 000	1,80%
Daimyo Invest AS	1 030 000	1,64%
Q Capital AS	998 490	1,59%
Tone Bekkestad AS	772 673	1,23%
Remaining investors	17 500 374	27,82%
Total	**62 898 669**	**100,00%**

The Company's shares are VPS-registered and listed on Euronext Oslo Børs from June 19, 2024. Numbers of shares and share subscription rights held by the board and CEO and leading senior management, including shares held by companies controlled by the representatives:

Person	Position	Shares
Endre Ording Sund	Chair of the Board	-
John Arne Ulvan	Member of the Board	19 841
Monika Inde Zsak	Member of the Board	5 952
Ellen Hanetho	Member of the Board	-
Wayne Thomson	Member of the Board	11 904
Wendy Lam	CEO	38 198
Ingar Bergh	CFO	30 673
Sam Thivolle	CDO	15 037
Cato Christensen	CTO	-
Johan Jungholm	CBDO	63 492
Philipp Staggat	CPO	4 000

Rights under the management incentive scheme are not included, cf. note 14.

14 EQUITY CAPITAL

	Share capital	Share premium	Other paid in capital	Net loss	Total equity
Amounts in NOK					
Equity on Jan 1, 2024	26 766 698	81 072 850	20 107 189	-93 945 308	34 001 428
Result 2024	-	-	-	-25 623 610	-25 623 610
Share issues	4 682 633	104 985 524	-	-	109 668 161
Share based compensation	-	-	5 164 610	-	5 164 610
Equity on Dec 31, 2024	**31 449 335**	**186 058 374**	**25 271 799**	**-119 568 917**	**123 210 589**

Funding measure carried out

Capital raise

On February 16, 2024, Capsol announced the completion of a successful private placement, raising gross proceeds of approx. NOK 88, 27 million. The share issue provides the Company with a strong financial basis to execute its business plan. The net proceeds will go towards financing strategic initiatives within new markets, new solutions and new revenue streams, specifically; (i) establishing and running an operation in the United States, (ii) technical and commercial development of the CapsolGT® solution for carbon capture from gas turbines and (iii) expanding the CapsolGo® mobile demonstration program. As a result of this the number of shares increased by 7, 005, 274, giving a total number of shares of 60,538,669.

Retail offering

On June 5, 2024, announced the completion of a successful retail offering, raising net proceeds of NOK 26.4 million. The offering was launched to further broaden the shareholder base in preparation for the announced uplisting of the company to the main list on the Oslo Børs which was concluded with first day of trading on 19 June. The offering was directed towards Norwegian and Swedish retail investors. With more than 750 investors participating subscribing for more than NOK 120 million in total, the offering was four times oversubscribed. As a result of this the number of shares increased by 2,250,000, giving a total number of shares of 62,788,669.

Execution of options

On August 14, 2024, a former member of the Company's board of directors and a former employee exercised respectively 100,000 and 10,000 options (in total 110,000 options) under the Company's share incentive program at a strike price of NOK 10 per share. Thus, the Board of Directors issued 110,000 new shares at a subscription price of NOK 10 per share, pursuant to the Board's authorization to issue new shares granted in the Company's annual general meeting on May 8, 2024. As a result of this the number of shares increased by 110,000, giving a total number of shares of 62,898,669.

Share based compensation scheme

On June 30, 2021, the Annual General Meeting approved a share-based compensation program for employees and board members with a volume of up to 5,000,000 options (which would equal the same number of shares if options are exercised). At the annual general assembly on May 8, 2024, it was resolved that the frame of the share-based compensation program in the Company is extended from 5,000,000 to 5,850,000 shares. Of these 1,087,500 have now been allocated to members of the Board and additional 4,758,000 options have been allocated to employees, while 4,500 options have not been allocated. Of these, 110,000 options have been executed, leaving current outstanding options of 5,735,500. The compensation program had its first effective date July 1, 2021.

Terms for Capsol Technologies Board members

Strike NOK 10.00 to NOK 15.88, vesting three years with 1/3 each year.

Terms for Capsol Technologies employees

Strike NOK 10 to NOK 22,60. Vesting shall be over a period of 3 years with 25% vested year 1, 25% vested year 2 and 50% vested year 3.

Options issued under the share based compensation scheme:

	Allocation	Strike price	Issue date	Vesting
Person (Board Members)				
Endre Ording Sund (Chair)	100 000	10.00	Jul 1, 2021	three years with 1/3 each year
Einar Chr. Lange	100 000	10.00	Jul 1, 2021	three years with 1/3 each year
Claes Oskar Nygren (Retired from Board)	-	10.00	Jul 1, 2021	Options executed
John Arne Ulvan	225 000	10.00	Jul 1, 2021	three years with 1/3 each year
Monika Inde Zsak	225 000	10.00	Jul 1, 2021	three years with 1/3 each year
Wayne Thomson	225 000	15.88	Jul 1, 2022	three years with 1/3 each year
Ellen Merete Hanetho	112 500	13.95	Sep 27, 2023	three years with 1/3 each year
Total Board	**987 500**			
Person (CEO and senior management)				
Wendy Lam, CEO (From Feb15, 2024)	850 000	12.50	Feb15, 2024	three years with 1/3 each year
Jan Kielland, CEO (Until Feb15, 2024, left Jul 3, 2024)	850 000	10.00	Jul 1, 2021	three years with 1/3 each year
Ingar Bergh, CFO	750 000	10.00	Jul 1, 2021	three years with 1/3 each year
Sam Thivolle, CDO	100 000	12.75	Oct 1, 2024	three years with 1/3 each year
Cato Christensen, CTO	500 000	11.50	Aug 15, 2022	three years with 1/3 each year
Johan Jungholm, CCO	230 000	13.00	Oct 18, 2021	three years with 1/3 each year
Philipp Staggat, CPO	240 000	13.64	Oct1 2021	As above (two tranches 190,000 issued Oct 1, 2021 50,000 issued Dec 13, 2023)
Total CEO and senior management	**2 570 000**			
Total other employees (average weighed)	**2 178 000**		Jul 1, 2021-Sep 1, 2022	3 years with 25% in year 1, 25% in year 2 and 50% in year 3
Total issued to board and employees	5 735 500			
Not allocated options in program	4 500			
Total executed	110 000			
Total for the program	**5 850 000**			

Details of the share options outstanding during the year are as follows:

	Dec 31, 2024		Dec 31, 2023	
	Number of share options	**Weighted average exercise price**	**Number of share options**	**Weighted average exercise price**
Outstanding at beginning of year	4 998 000	12.18	4 645 1000	11.29
Granted during the year	1 070 000	12.65	658 000	13.06
Forfeited during the year	222 500	12.71	305 000	14.81
Exercised during the year	110 000	10.00	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	**5 735 500**	**11.47**	**4 998 000**	**12.18**
Exercisable at the end of the year	3 940 750	10.93	2 170 833	10.86

The options outstanding on December 31, 2024, had a weighted average exercise price of 11.47. In 2024, options were granted on thought the year. The weighted average share price at the date of exercise for share options exercised during the period was 14.10 The aggregate of the estimated fair net values of the options granted and forfeited during the years is about 5,8 million.

	Dec 31,2024	Dec 31, 2023
Weighted average share price	12.65	12.18
Weighted average exercise price	12.65	12.18
Expected volatility	62.6%	50%
Expected life	3.25	5.25
Risk-free rate	3.65%	3.43%

Expected lifetime:

2023 and older: grant date to expiry date (in accordance with historical practice) 2024 and forward: grant date to vesting date + 1 year (industry standard) volatility: 2023 and older: fixed at 50% based on a peer group analysis (in accordance with historical practice) 2024 and forward: volatility is calculated as the historical volatility of the share price as of the grant date, using a period that matches the expected lifetime The Group recognized total expenses of 4.7 million and 6.9 million related to equity-settled share-based payment transactions in 2024 and 2023 respectively. Including provisions for employment tax.

Shares, subscription rights, warrants, options	Total	Issued	Exercise price	Proceeds if exercised
Issued shares as of Dec 31, 2024	62 898 669	62 898 669		
Share-based compensation	5 740 000	5 735 500	11.47	65 786 185
Total as of Dec 31, 2024	**68 638 669**	**68 634 169**		**65 886 185**

Issued shares as of December 31, 2024, amounted to 62,898,669 shares. With additional shares potentially subscribed for under the share-based compensation arrangement, the total number of shares potentially issued would 68,638,669 shares. As of year-end none of the vested options have been executed.

15 LONG-TERM DEBT

Secured debt	Dec 31, 2024	Dec 31, 2023
Amounts in NOK		
Debt to financial institutions	46 842 277	63 713 587
Total	**46 842 277**	**63 713 587**
Booked value of secured assets		
Plant and equipment	83 639 419	69 778 824
Accounts receivables	30 676 954	9 821 949
Total	**114 316 373**	**79 600 773**

Debt with financial institutions

Debt to financial institutions consist of three loans, with maturity in 2027 and 2028. Interest and principal are paid on quarterly instalments. The interest rate continues to be based on the NIBOR and EURIBOR index plus a margin of 2.9%p.a. See section for an overview of the maturity.

The debt to credit institutions requires certain assets to be pledged as security, being property, plant and equipment, inventory, trade receivables and licenses. Assets pledged as security includes property, plant and equipment and accounts receivables.

On Dec 31, 2024	Carrying amount	Less than 3 months	3-12 months	1-5 years	More than 5 years	Total
Amounts in NOK						
Borrowings NOK	13 800 000	1 150 000	3 450 000	9 200 000	-	13 800 000
Borrowings EUR	33 042 277	3 057 201	9 171 602	20 813 474	-	33 042 277
Total financial liabilities	**46 842 277**	**4 207 201**	**12 621 602**	**30 013 474**	-	**46 842 277**

On Dec 31, 2023	Carrying amount	Less than 3 months	3-12 months	1-5 years	More than 5 years	Total
Amounts in NOK						
Borrowings NOK	18 400 000	1 150 000	3 450 000	13 875 670	-	18 400 000
Borrowings EUR	45 313 587	3 475 223	10 425 670	31 412 693	-	45 313 587
Total financial liabilities	**63 713 587**	**4 625 223**	**13 875 670**	**45 212 693**	-	**63 713 587**

16 MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group is mainly exposed to interest rate and foreign currency risk.

Interest rate risk

The Group's exposure to interest rate risk arises from long-term borrowings with variable rates (see note 6.1 and 6.2 in the Group financial statements or further information) based on the NIBOR and EURIBOR rate applicable at each point in time.

Interest rate sensitivity analysis	2024	2023
Profit and loss effect by increase in borrowing rate of 5%	2 721 118	3 610 793

The Group has not entered any interest rate swaps agreement or other interest rate hedges to mitigate risk related to increase in the variable interest rate of its loans.

Currency risk

The Group's primary operational foreign currency risk is linked to fluctuations in the value of Euro versus Norwegian Krone. From 2023, the revenue and borrowings are mainly in Euro, while the running costs are in either Euro or Norwegian Krone. Management has as of year end December 31, 2024.
The following assets and liabilities are subject to foreign exchange risk, at each reporting period.

On Dec 31,2024	EUR	GBP	USD
Financial assets	**4 113 598**	-	24 946
Accounts receivables	797 640	-	-
Cash and bank deposits	3 315 958	-	24 946
Financial liabilities	**-3 039 460**	**-6 354**	**-30 236**
Trade payables	-238 080	-6 354	-30 236
Debt to financial institutions	-2 801 380		

On Dec 31, 2023	EUR	GBP	USD
Financial assets	**5 394 456**	**-**	**-**
Accounts receivables	1 929 670	-	-
Cash and bank deposits	3 464 786	-	-
Financial liabilities	- 5 062 834	- 25 619	- 83 275
Trade payables	- 1 021 774	- 25 619	- 83 275
Debt to financial institutions	- 4 041 060		

The following table illustrates how the profit before tax would be affected by positive or negative changes in the exchange rates with respect to the functional currency of the Company, leaving every other constant the same:

Exchange rate sensitivity analysis	2024	2023
Increase in EUR/NOK exchange rate of 10%	715 306	33 162
Increase in GBP/NOK exchange rate of 10%	-635	-2 562
Increase in USD/NOK exchange rate of 10%	-5 518	-8 327

Note 17 EVENTS AFTER BALANCE SHEET DAY

On February 27, 2025, Capsol Technologies ASA's nomination committee proposed Chris Barkey as New Chair of the Board to succeed Endre Ording Sund, who previously announced he will step down upon the conclusion of his term in 2025. The nomination of the new Chair will be presented for shareholder approval at the Annual General Meeting on May 21, 2025.

On January 27, 2025, Stockholm Exergi, the first large-scale project with Capsol's technology, was awarded EUR 1.7 billion by the Swedish government in the Swedish Energy Agency's reverse auction for BECCS. With the award by the Swedish government, the final investment decision (FID) for the BECCS project is expected to happen as soon as possible in 2025, initiating the construction of the carbon capture plant and associated infrastructure.

On January 15, 2025, Capsol Technologies was awarded an Engineering Services Agreement for a pre-FEED (Front-End Engineering Design) study for the CapsolEoP® (end-of-pipe) carbon capture technology at a cement plant in Europe. The study is for a plant aiming to capture 600,000 tonnes of CO_2 per annum.

On January 13, 2025, Capsol Technologies' first of two CapsolGo® demonstrations campaigns for cement producer SCHWENK commenced operations at the Akmenės cement plant in Lithuania. Following the demonstration campaign at the Akmenės plant, the CapsolGo® unit will be transferred to SCHWENK's Brocēni cement plant in Latvia, where a previous Capsol feasibility study was conducted in 2024.

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To the General Meeting of Capsol Technologies ASA

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Capsol Technologies ASA, which comprise:

- the financial statements of the parent company Capsol Technologies ASA (the Company), which comprise the balance sheet as at 31 December 2024, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Capsol Technologies ASA and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2024, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

THE POWER OF BEING UNDERSTOOD
ASSURANCE | TAX | CONSULTING

RSM Norge AS (organisasjonsnummer 982316588), RSM Advokatfirma AS (organisasjonsnummer 914095573), RSM Norge Kompetanse AS (organisasjonsnummer 925107492).

RSM Norge AS er medlem av RSM-nettverket og driver under navnet RSM. RSM er forretningsnavnet som brukes av medlemmene i RSM-nettverket. RSM Advokatfirma AS og RSM Norge Kompetanse AS er selskaper tilknyttet RSM Norge AS.

Hvert medlem i RSM-nettverket er et selvstendig revisjons- og rådgivningsfirma med uavhengig virksomhet. RSM-nettverket er ikke selv en egen juridisk person av noen form i noen jurisdiksjon.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of Capsol Technologies ASA for four years from the election by the general meeting of the shareholders on 30 June 2021 for the financial year ended 31 December 2021.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How our audit addressed the Key Audit Matters
Revenue from Customers	
The Group reported significant revenue growth for 2024, with consolidated revenues reaching NOK 94 160 578, up from NOK 34 160 224 in 2023. This growth was driven by increased revenues from technology demonstration campaigns, engineering and feasibility studies and realisation of the company's first technology licensing agreement. Revenue recognition is considered a key audit matter due to the inherent risk of misstatement and the impact on profitability. Revenue is assessed to be a critical financial metric for the company's performance. The Group has three revenue streams: demonstration campaigns, engineering and feasibility studies, and licensing agreements. The complexity involved increases the risk of material misstatement. Determining transaction prices and allocating them over the contract period involves management judgment and impacts revenue, contract assets and contract liabilities. Note 3.2 to the consolidated financial statements sets out the principles for recognition of revenue from customer contracts.	Our audit approach to addressing the key audit matter of revenue recognition involved several steps: We obtained an understanding of the Group's revenue recognition policies and procedures to evaluate the appropriateness and compliance with IFRS 15 - *Revenue from Contracts with Customers*. This included assessing the identification of performance obligations, transaction price determination, and the allocation of transaction prices to performance obligations. We conducted interviews with key management representatives to understand their perspectives on revenue recognition practices, significant contracts and any areas requiring judgment or estimation. Based on our knowledge about the operation, we identified and assessed risks of material misstatement related to revenue recognition. We planned our audit procedures to address these risks, focusing on the three revenue streams. Our substantive testing procedures included amongst other: Substantive test of transactions: We selected a sample of revenue transactions and traced them back to customer contracts and corresponding invoices. Completeness has been tested by tracing contracts to recorded transactions. External Confirmations: Occurrence of licensing revenue has been verified through external confirmations.

Key Audit Matters	How our audit addressed the Key Audit Matters
	Revenue Cut-off Testing: We performed substantive cut-off testing of sales transactions recorder before and after year-end. Throughout our audit, we maintained a focus on areas requiring significant judgment. Our procedures provided sufficient and appropriate audit evidence to conclude that the revenue recognition practices of the Group were reasonable and in compliance with IFRS 15 for the financial year ended 31 December 2024.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in

accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Report on Compliance with Requirement on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of Capsol Technologies ASA, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name capsoltechnologiesasa-2024-12-31-en.zip, have been prepared, in all material respects, in compliance with with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

Management's Responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's Responsibilities

Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in compliance with ESEF. We conduct our work in compliance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in compliance with the ESEF Regulation.

As part of our work, we have performed procedures to obtain an understanding of the Company's processes for preparing the financial statements in compliance with the ESEF Regulation. We examine whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 9 April 2025
RSM Norge AS

Arnfinn Osvik

Arnfinn Osvik
State Authorised Public Accountant

capsol technologies

Our vision is to accelerate
the world's transition to a net zero future

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