



CARBON TRANSITION ASA

Company overview

13 October 2021





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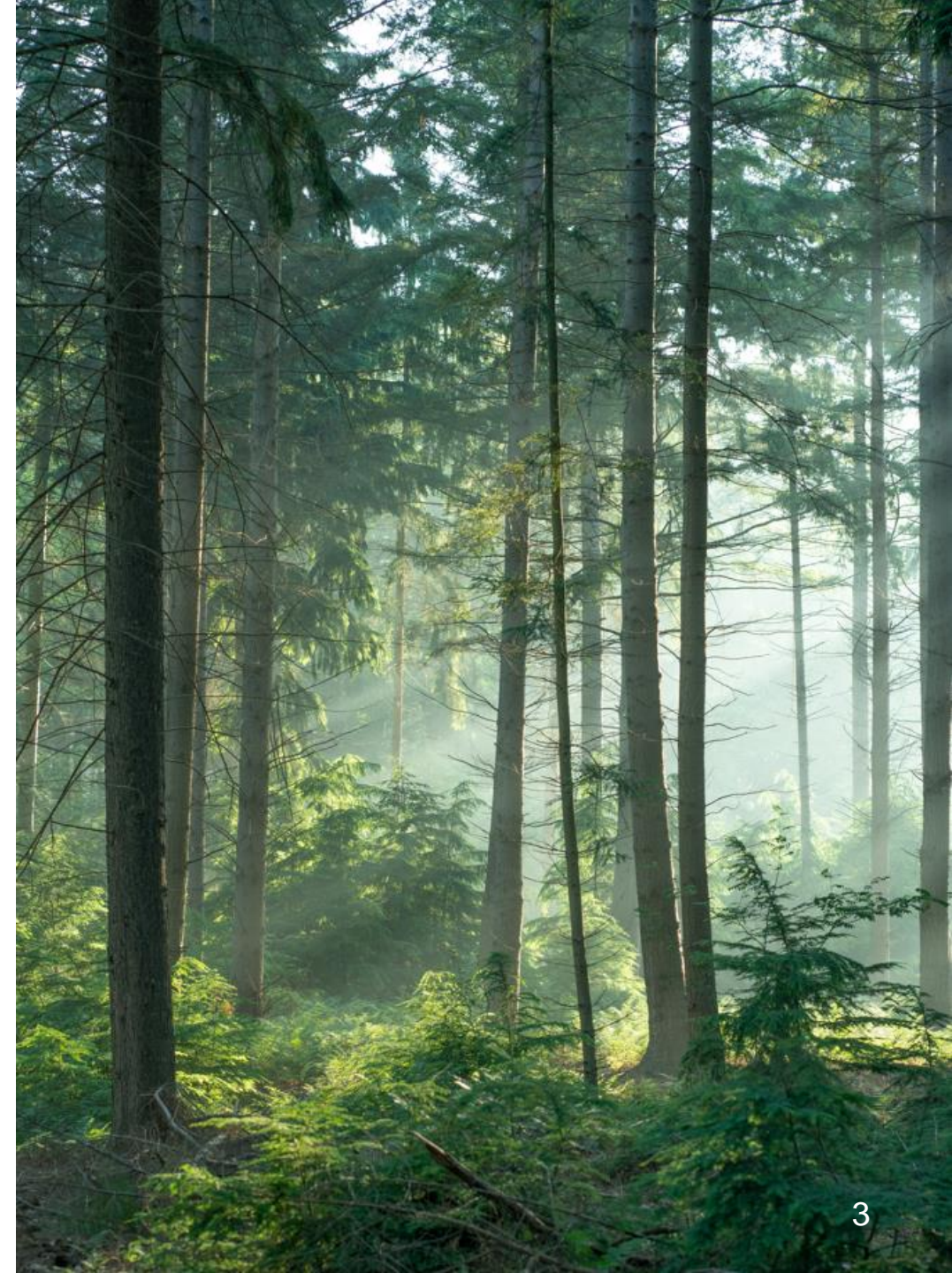
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Strategy

Focus on investing in companies & technologies which contribute to significant reduction of carbon emissions

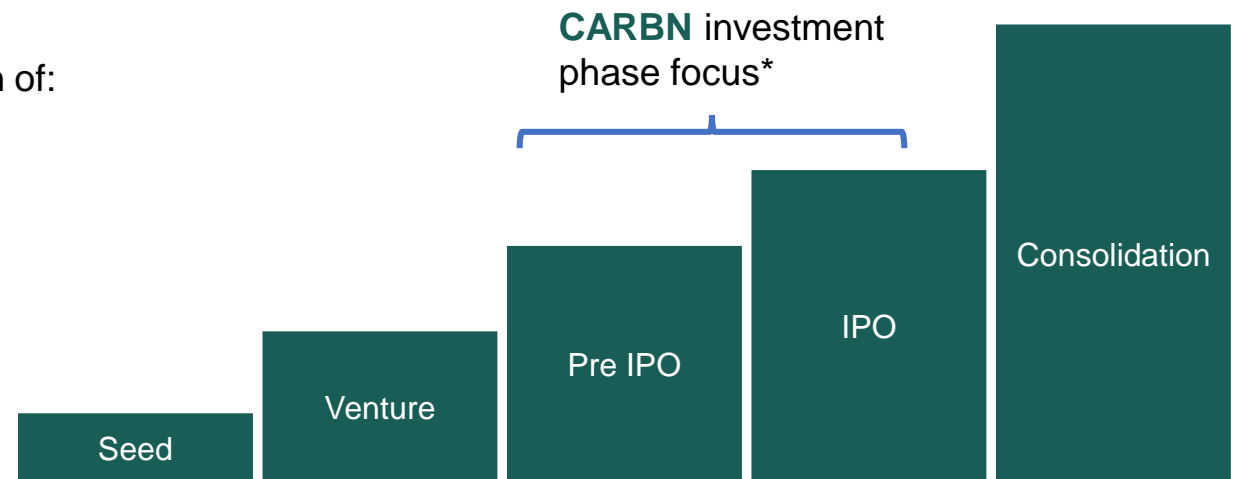
- Listed investment company - a unique vehicle to take part in the ongoing energy transition from an early stage
- Multiple sectors facing large and lasting changes, creating opportunities to invest in long term winners (there will be several)
- Opportunistic approach but typically some common denominators:
 - Unique & proven technology
 - Scalable business model
 - High barriers to entry
 - Global potential
- Company may also invest more broadly in the energy transition space





Value proposition

- To unlock value through investing in companies which are:
 - Through its seed and venture phase
 - Currently looking for growth capital in pre IPO phase
 - Targeting an IPO in the short to medium term
- A unique investor for such companies as we provide a combination of:
 - Sizeable investment
 - Active involvement
 - Attention through stock listing
 - Strong shareholder base
- Unique access to deal flow through active network
- Income from legacy business to contribute to funding of new investments



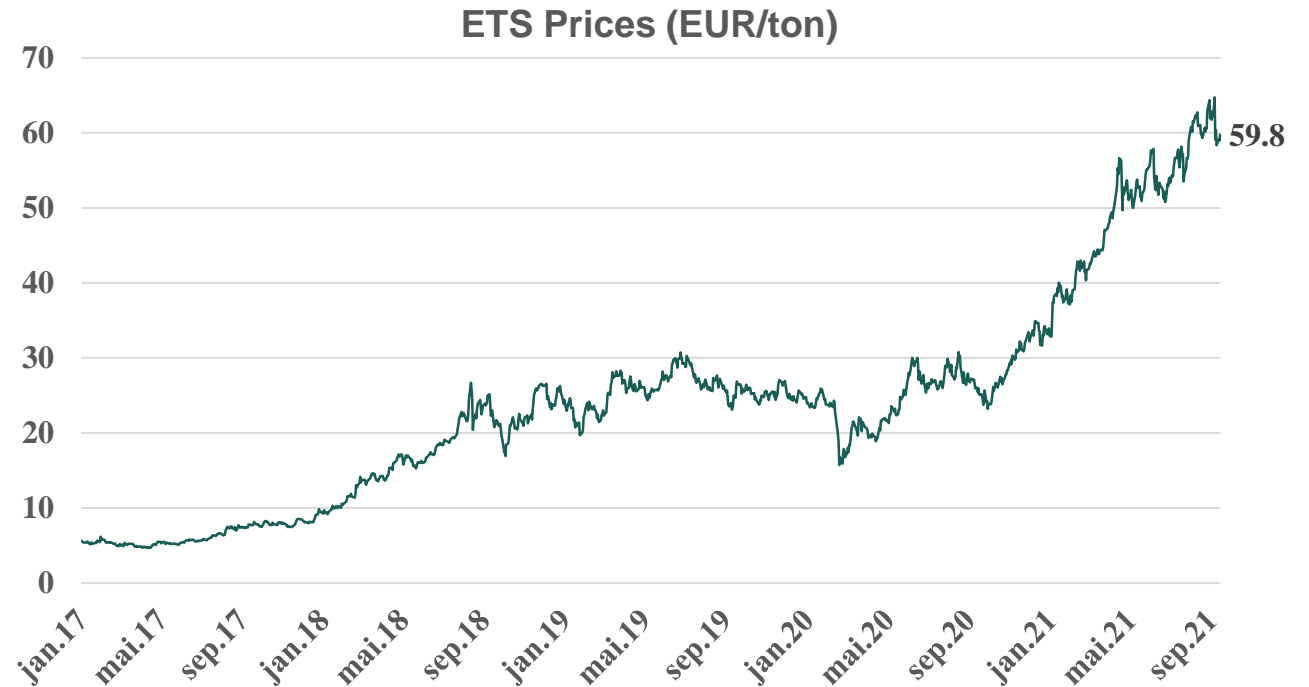
* Company may also make investments which deviate from the illustrative model



CO₂ prices

The driving force of change – and green profitability

- In four years' time, the price on European emissions rights, EU ETS, has increased tenfold
- **Currently trading around EUR 60/ton**
- EU “Green Deal” target: Europe to be the world’s first carbon neutral region by 2050
- China with similar commitment for 2060
- Global momentum through the Paris climate agreement
- Massive investments needed to meet targets
 - Estimated level > EURO 250 billion / year for EU alone
 - Funds exiting fossil fuels/energy in parallel



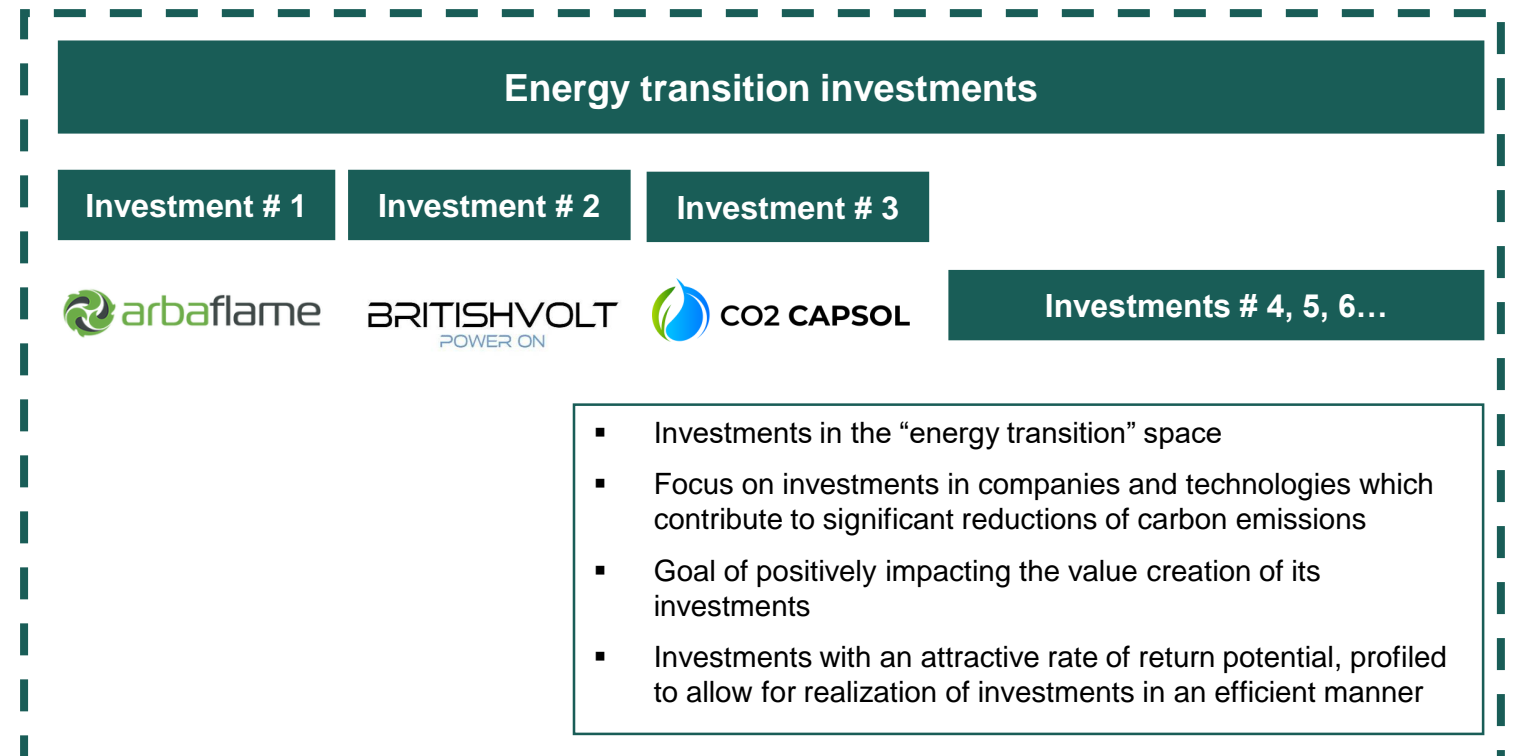
Source: SpareBank 1
Markets Equity Research



Carbon Transition investments is the way forward

Maximizing value of legacy seismic business

Legacy segments	
Multi-Client	Ocean Bottom Node
<ul style="list-style-type: none">▪ Holds significant ownership of high-resolution seismic data surveys in Norway and Egypt▪ Late sales to generate revenues and cash flow▪ Joint ownership with TGS and Western Geco	<ul style="list-style-type: none">▪ Global experience with multi-vessel ocean bottom node (OBN) operations▪ Project organization capable of performing complex OBN operations▪ Scalable asset-light business model, low fixed cost structure▪ Evaluating strategic alternatives





First investment | Arbaflame

- NOK 30 million invested as part of NOK 156 million convertible loan
- NOK 550 million invested to date, including several ESG focused entities and main sponsor Pemco
- Highly attractive company with unique and verified technology enabling production of black pellets from bio waste (“ArbaCore”)
- ArbaCore can fully replace coal in coal-fired power plants worldwide, reducing Co2 emissions by approximately 90% compared to coal
- Current production capacity at 70.000 tonnes per year, with goal of >850,000 tonnes per year in 2026 (0.2% of the total coal consumption in EU)
- Backlog for delivery of ArbaCore corresponding to a value of up to EUR 65m
- Incoming requests and discussions with several new prospects wanting supply of ArbaCore
- Verified extraction of planned high value green chemicals: Furfural, Methanol and Biogas
- First truck of ArbaCore delivered to port early July
- Planning and engineering of next production plants initiated
- Substantial global potential





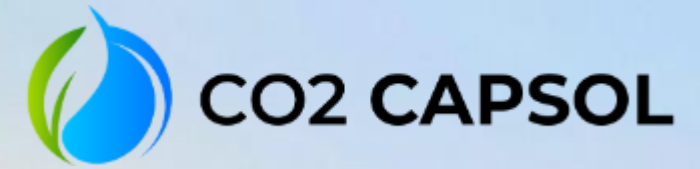
Second investment | Britishvolt

- NOK 15.2 million invested in the company's series B financing in return for shares and options for equivalent amount
 - Other investors include Glencore, Cathexis Venture II and NG Bailey
- Manufacturer of lithium-ion batteries for electric cars, established with the aim to meet the Electric Vehicle ("EV") battery demand in the UK & EU by 2023
- The company has identified Blyth, in Northumberland, as the site for the Gigafactory and acquired the required land in April 2021. The UK Gigaplant is targeting a capacity of 39GWh
- A second Gigafactory in Canada is in the planning stage. The Canadian Gigaplant is targeting a capacity of 72 GWh
- Britishvolt recently announced that it has entered into an offtake agreement with FTSE 100-listed Glencore for the supply of responsibly sourced cobalt
- Britishvolt has signed an MoU and term sheet with leading organizations including WMG and Oxford University for the development of next-generations solid state technology. Solid state batteries are expected to be the next generation technology for electric vehicles



Third investment | CO2 Capsol

- NOK 40 million invested in a pre-IPO growth financing round
- CO2 Capsol owns a proven, cost competitive carbon capture technology with full cycle cost (opex and capex) of \$30-37/t (vs. \$43-50 for traditional technologies)
- CO2 Capsol technology utilizes a patented heat recovery process which significantly reduces energy costs
- Each module has a capacity of 2.5mtpa, and the solution is easily scalable by adding several modules to the same plant. Efficient installation period of 18-24 months requiring no modification of existing facilities
- Technology based on Hot Potassium Carbonate (“HPC”), which is a non-hazardous solvent used in the food industry – this results in a safe solution with HSE benefits over existing amine based alternatives
- CO2 Capsol’s technology has been selected for Stockholm Exergi’s carbon capture facility (800,000 tons CO2/year)
- Highly scalable licensing model with strong margins, low capex requirements and a recurring revenue component’
- CO2 Capsol has entered into a collaboration with Petrofac who has been awarded the Front-End Engineering Design contract for Stockholm Exergi





Current investments tick the boxes



Unique & proven technology



Scalable business model



High barriers to entry



Global potential



Pre-IPO funding round



Investing in a
sustainable future.