

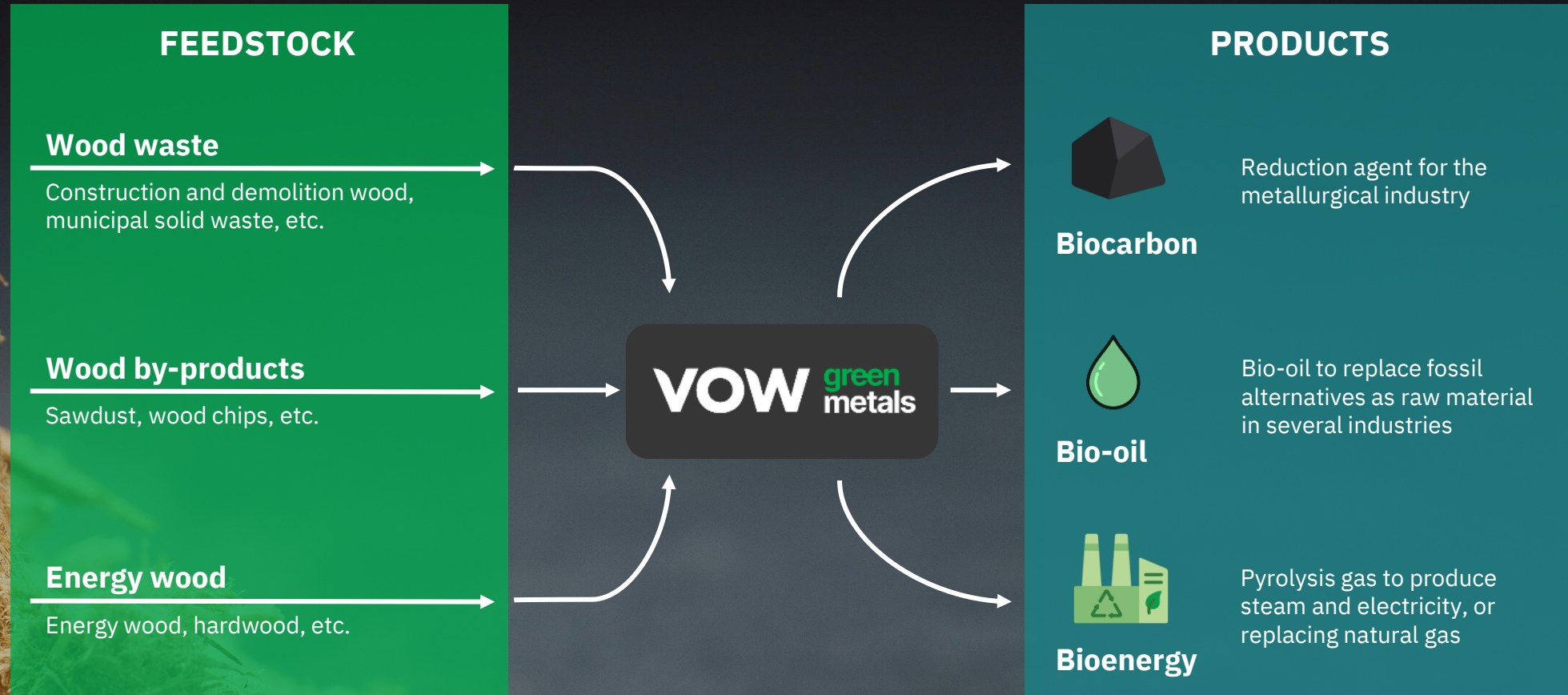
# FIRST HALF-YEAR 2024 PRESENTATION

21 August, 2024

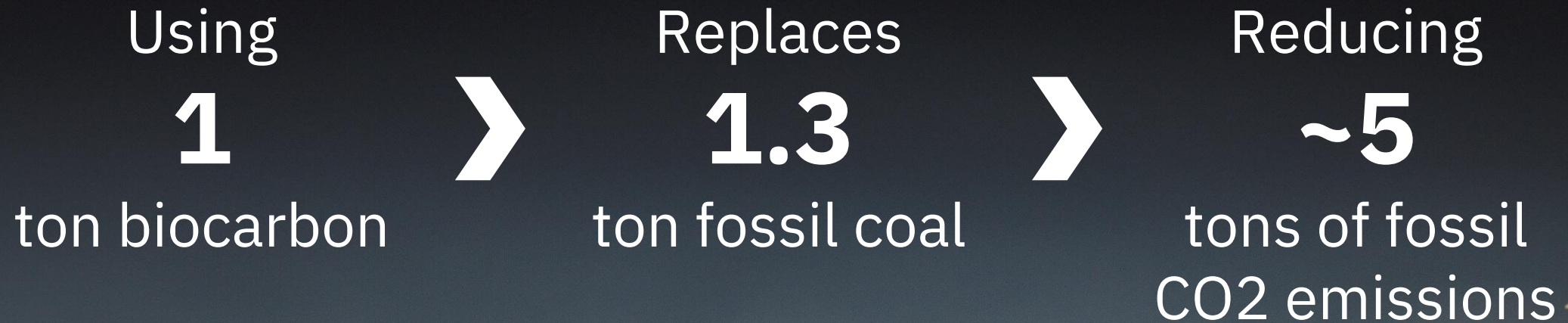
**VOW** green metals



# Valorizing biomass and biomass waste streams



# The value of reducing emissions is massive – enabling profitable biocarbon at competitive price levels



# Main developments

## Funds raised, now breaking ground at Hønefoss

- In April, the Company announced that it was initiating a strategic process to raise capital to accelerate the realization of the Company's project portfolio. Pareto Securities was engaged to assist in the process
- Vardar AS and Skagerak Energi AS executed a NOK 70 million investment in Vow Green Metals AS. Skagerak Energi AS, through a subsidiary, invested NOK 20 million in an equity placement and Vardar AS invested NOK 50 million in equity by debt conversion
- The Company has established a NOK 10 million revolving credit facility with Sparebank 1 SR-Bank
- Elkem ASA and Vow Green Metals entered into a supply agreement for the annual delivery of up to 15,000 tons of biocarbon from the large-scale Hønefoss facility

## Development highlights in key projects

### Early Production Line

- The 2,500 tons early production line at Hønefoss is fully financed through a leasing agreement with Sparebank 1 SR-Bank.

### Hønefoss Facility

- Loan agreement for the Hønefoss facility ("VGM Operatør AS") with DNB, 50 percent guaranteed by Eksfin, of NOK 344 million was signed in July
- Vardar AS executed NOK 50 million investment in VGM's large-scale production facility at Hønefoss in April. The investment makes Vardar AS a 25 percent stakeholder in VGM Operatør AS
- Construction at the Hønefoss site has commenced and is expected to be completed in 2025

### Viken Park

- Pre-study for core technology completed together with technology partner, Vow ASA
- Pre-study with Carbon Centric for carbon capture (CCU) and energy offtake is ongoing



# Breaking ground at Hønefoss with MNOK 344 green loan debt financing from DNB and Eksfin secured

## Construction of the large-scale Hønefoss plan progressing



- Execution of Civil Works started in May 2024
- Groundwork and construction of buildings is running according to plan
- The installation of process equipment is planned to start in October this year
- Plant operation is expected in 2H 2025
- Vardar welcomed as 25 percent owner of the facility during 1H 24 – Vow Green Metals majority owner with remaining 75 percent

## Backed by DNB and Eksfin



- Agreement signed July 2024, DNB as financier with 50% guarantee from Eksfin
- Total of NOK 344 million split in two facilities of NOK 144 million and 200 million, respectively
- The agreement secures full financing for the 10,000 tons first phase facility and buildings needed for the increase of production capacity to 20,000 tons

# 2,500 tons early production line in operations, and laboratory in place to accelerate product development

## De-risking large-scale projects while accelerating commercial efforts



- 2,500 tons early production line in operation with the same technology as the in the first phase of the large-scale facility at Hønefoss significantly de-risking the project
- Producing biocarbon at industrial scale to deliver volumes to established partners, and product samples to mature new markets and relationships with industrial offtakers
- Additional pilot equipment in place at Hønefoss to increase capacity on product development efforts

## Reducing time and cost with laboratory at Hønefoss in place



- Laboratory established to accelerate product development and reducing the need for a third-party lab facility significantly reducing time and cost
- Several test instruments installed, including muffle furnaces to analyze volatiles and ash content, tumbler for durability testing, pellet crush force tester, viscosity measurement, moisture analyzer and more
- Close collaboration with national development and testing center, Future Materials, providing access to additional equipment and competencies

# All key projects progressing well in the first half of 2024



**Early production line**

**Capacity:** 2,500 tons p.a.  
**Status:** In operation – ramping up production  
**Location:** Hønefoss, Norway  
**Partners:** Vow ASA, Treklyngen industripark

- First biocarbon successfully produced
- The facility entered operations in the first quarter of 2024 and ramp-up is ongoing
- Continuously implementing key improvements providing significant synergies to the large-scale project, including faster ramp-up, operational knowledge and more



**Hønefoss (phase 1 and 2)**

**Capacity:** 20,000 tons p.a. (10,000 first phase)  
**Planned operation (phase 1):** H2 2025  
**Planned operation (phase 2):** H1 2026  
**Location:** Hønefoss, Norway  
**Partners:** Vow ASA, Vardar Varme, Lindum, Treklyngen industripark

- Joint infrastructure project completed
- The interaction phase for civil works and process equipment installation completed
- Execution of civil works started in May 2024
- Majority of process equipment for phase 1 already delivered at site
- Main study for phase 2 ongoing, aiming for FID within second half of 2024



**Viken Park**

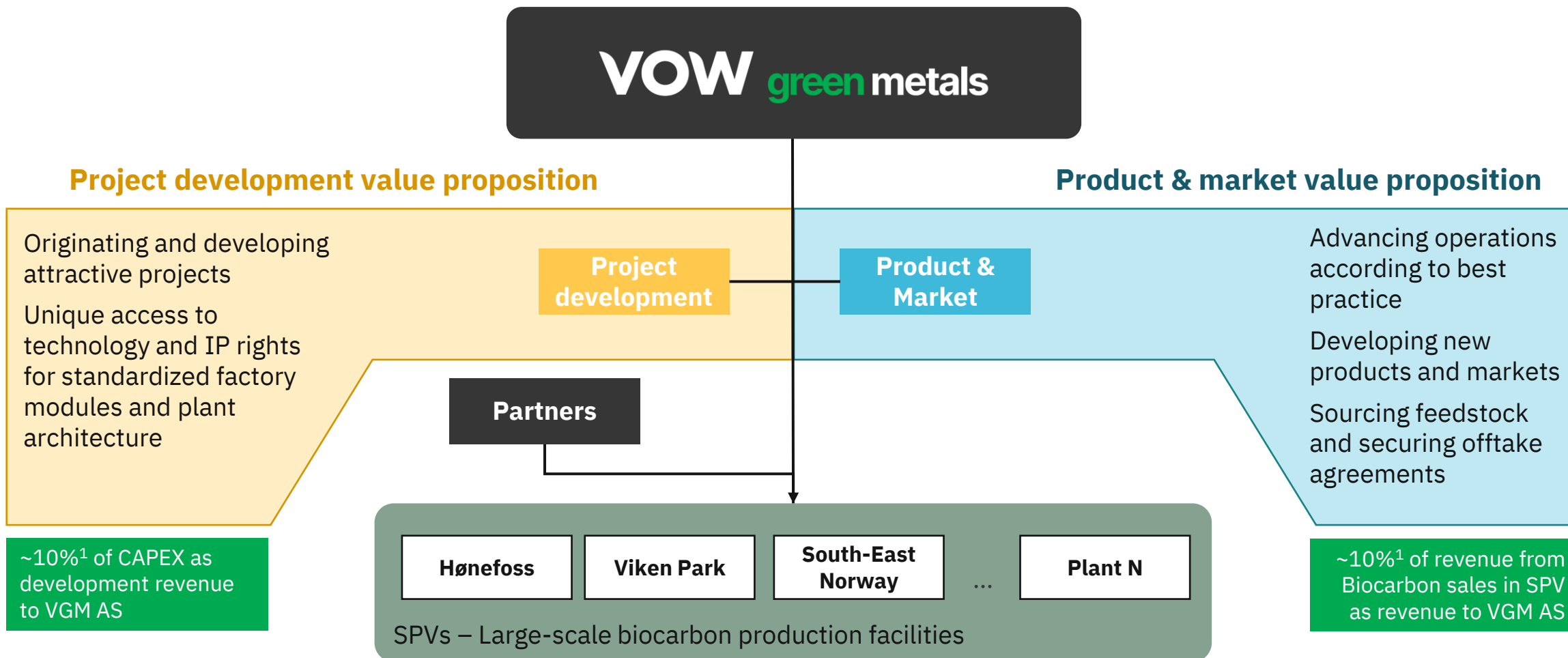
**Capacity:** 30,000 tons p.a.  
**Planned FID:** 1H 2025  
**Location:** Fredrikstad, Norway  
**Partners:** Vow ASA, Viken Park, Carbon Centric and other stakeholders within the industrial park project

- Feasibility study completed
- Pre-study for a plant with 30,000 tons of biocarbon production capacity initiated
- Pre-study with Carbon Centric for CCU and energy offtake is ongoing
- Pre-study for core technology completed together with technology partner Vow ASA
- Feedstock and energy offtake LoI's in place
- The regulatory plan for the area is expected to be considered in the municipal council in October 2024

Project data

Status update

# Vow Green Metals AS add value to biocarbon investment portfolios





# MNOK 70 capital raise – welcoming strong industrial partners Skagerak and Vardar



Skagerak  
Energi



vardar  
GREEN ENERGY

- Strategic process to ensure speed and scale announced in April
- Vardar executed a NOK 50 million investment in VGM Operatør, the subsidiary holding the Hønefoss project, in April
- In May Vardar converted the NOK 50 million loan, executed in late 2023, to equity
- Simultaneously Skagerak Energipartner, a Skagerak Energi subsidiary, executed a NOK 20 million equity investment in cash



# Financials for first-half 2024

## Key figures (in MNOK)

<b>Profit and Loss</b>	<b>Unaudited H1-2024</b>	<b>Unaudited H1-2023</b>	<b>Audited 2023</b>
Employee expenses	(5.1)	(2.4)	(9.4)
Other operating expenses	(8.8)	(7.0)	(14.5)
<b>EBITDA</b>	<b>(13.9)</b>	<b>(9.4)</b>	<b>(23.9)</b>
Profit for the period	(15.7)	(9.5)	(26.0)

<b>Balance Sheet</b>	<b>Unaudited H1 2024</b>	<b>Audited YE 2023</b>
Total non-current assets	231.7	136.8
Total current assets	44.3	46.4
Total assets	276.0	183.2
Total equity	202.2	100.0
Total non-current liabilities	40.0	50.6
Total current liabilities	33.8	36.6

## Financial review first-half 2024

- Increase in both employee expenses (NOK 2.7m) and other operating expenses (NOK 1.8m) compared to H1 2023 impacted the EBITDA.
- Employee expenses, including capitalized, were NOK 10.8m compared to NOK 6.1m in H1 2023.
- Leasing agreement of the Early production line recognized in non-current assets with NOK 46.3m. Recognition is in accordance with IFRS 16, and depreciation started in H1 2024.
- Remaining increase due to investments in the Hønefoss production site.
- Total of NOK 120.0m increased equity since year-end 2023.
- Non-current liabilities reduced by the NOK 50m debt conversion from Vardar AS, offset by the recognition of the leasing liability on the early production line.

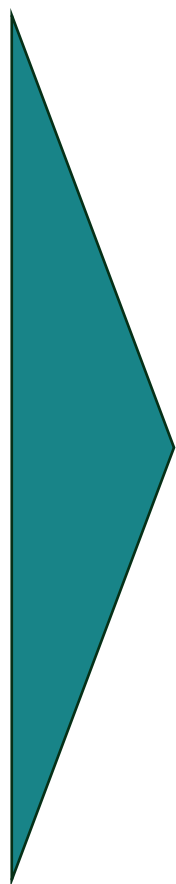
# Clear ambitions for 2024

## 2024 PRIORITIES

Ramping up production

Commercializing new and existing products

Advancing key industrial projects and lower CAPEX



## STAYING AHEAD OF THE CURVE AS THE LEADING PRODUCER OF BIOCARBON AND CARBON-NEUTRAL PRODUCTS

- 1 PRODUCING AT INDUSTRIAL SCALE**  
*Ramping up production of biocarbon and bio-oil from the production and test facility at Hønefoss.*
- 2 CONTINUE TO BUILD COMMERCIAL PARTNERSHIPS**  
*Continue commercialization of the biocarbon and bio-oil markets, delivering volumes to customers.*
- 3 FURTHER ADVANCE KEY PROJECTS**  
*Ensure progress in established prioritized large-scale projects.*
- 4 MATURING PROJECTS LEADS**  
*Accelerate business development activities and maturing the existing leads in the pipeline*
- 5 CONTINUOUSLY STANDARDIZE AND CUT COST**  
*Lower CAPEX, implement improvements and lessons learned while progressing standardization of the VGM factory module*

# FORGING A **NEW ERA** FOR THE METALLURGICAL INDUSTRY



**VOW** green metals