



Half Year Report 2023





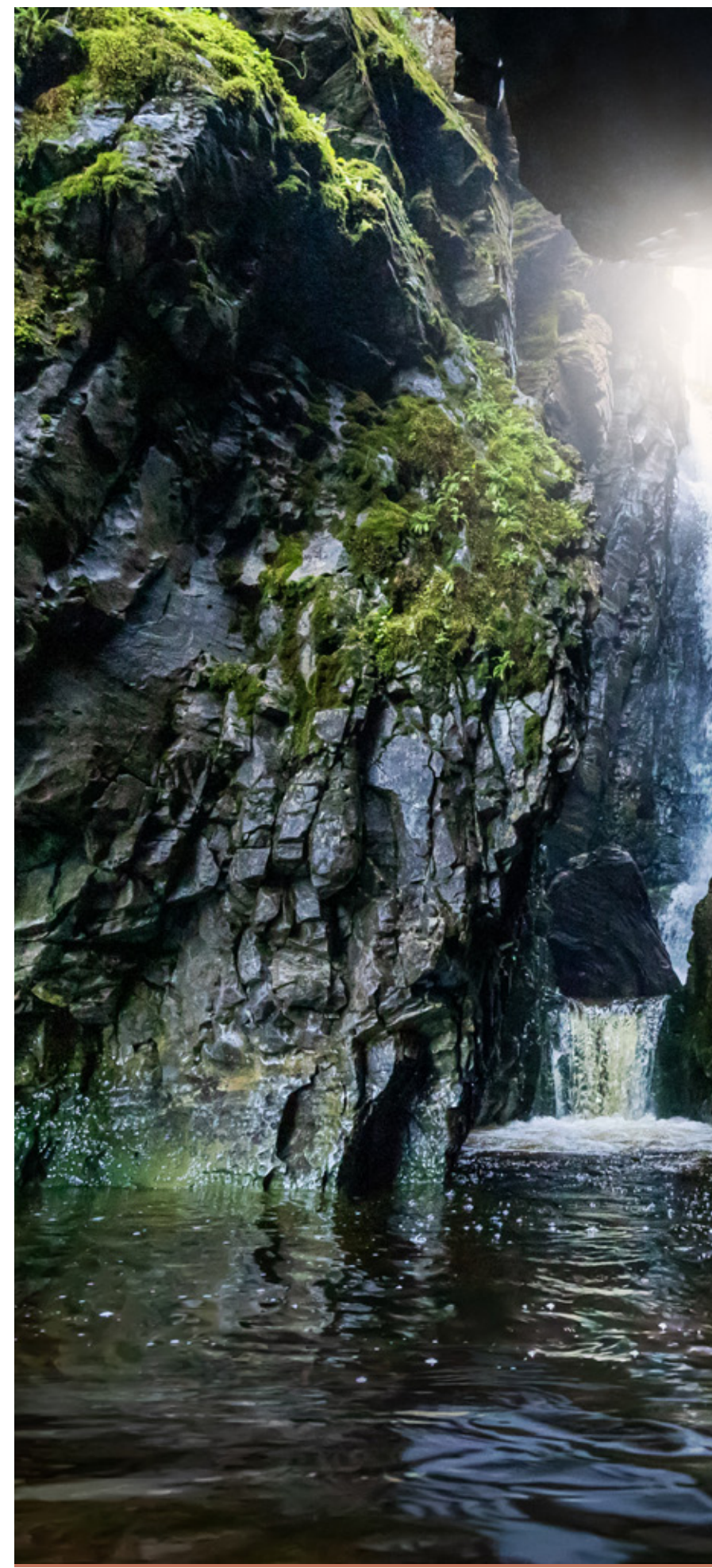
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About Ocean GeoLoop

Ocean GeoLoop AS is a green-tech company using nature's own way of solving the challenges of our time in a circular way.

Ocean GeoLoop AS is a green-tech company using nature's own way of solving the challenges of our time in a circular way. The company has introduced the GeoLoop CC technology that captures point source CO₂ emissions, using natural and harmless processes. In 2023 the company will build a pilot to further develop the e-Loop, a novel technology for electricity production. The GeoLoop CC and the e-Loop will help companies and countries to reach their goals of reduced emissions and to get access to renewable electricity for the green transition. The company is listed on Oslo Børs Euronext Growth under the ticker OCEAN.





Letter from CEO

“We are now ready to offer customized solutions for carbon capture in the market.”

At the time of writing, after closing of the period, the entire team at Ocean GeoLoop and our partners are excited that we have passed the 3,000-hour milestone of safe operations of our industrial carbon capture pilot at Norske Skog Skogn. Having an autonomous carbon capture plant with no harmful chemicals or need for residual heat are features that are highly appreciated by our current and future industrial partners. Following this successful milestone, we are excited to use these results in a commercial setting.

To this means, we have complemented our technological toolbox for experimental testing and extrapolation to industrial customer and customer segments, and started the process to hire new and highly competent colleagues.

In this report, we´re happy to give a brief introduction to the industry partners with whom we work to develop commercial studies and activities, namely Yara Norge AS, Franzefoss Minerals AS, Norske Skog ASA and Norðurál EHF in Iceland. These major companies have ambitious

plans and represent global industry segments with a large market potential. With our complete toolbox for testing, piloting and customization, our highly motivated and competent staff, collaborative partners and a broad network on board, we are now ready to offer customized solutions for carbon capture in the market.

A handwritten signature in black ink that reads "Odd-Geir Lademo". The signature is written in a cursive, flowing style.

Odd-Geir Lademo

CEO of Ocean GeoLoop

Our technologies

GeoLoop Carbon Capture

Our point source carbon capture unit captures CO₂ from a point source emitter and can turn it into pure, liquid state. The key features of the technology which are demonstrated at the carbon capture pilot plant at Norske Skog Skogn are:

- ✔ Clean and green
- ✔ End of pipe solution
- ✔ Universal absorption technology
- ✔ Highly stable and safe operations
- ✔ Fully autonomous operations
- ✔ Low and flexible footprint
- ✔ Lower capex and operating costs



Our technologies

GeoLoop Column

In 2021 the company installed a large scale GeoLoop Column prototype at a selected location in the Trondheim Fjord, Norway. This prototype unit is undergoing an extensive test program, combined with further testing being performed in different labs. The GeoLoop Column is designed to manage inter alia the following tasks:

- **Ocean filtration/cleaning**
- **Oxygenation of the lower ocean layers**
- **Biomass generation via the filtering process, farming and harvesting**

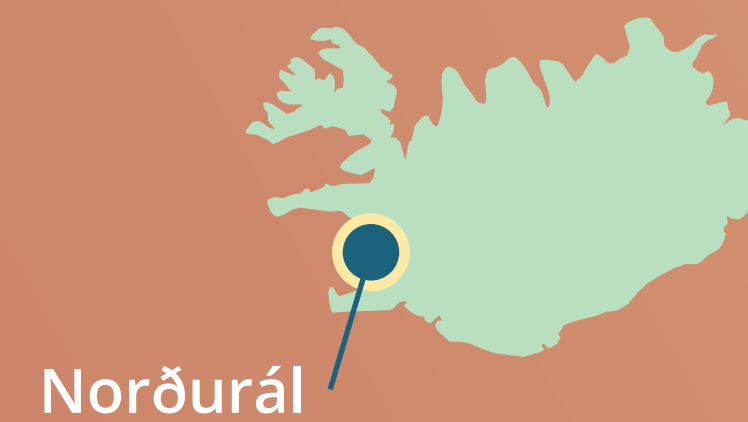


Our customer approach

Fruitful collaborations with several leading industry companies.

In order for carbon capture to become a measure that has a significant global effect, there are several barriers that the industry addresses such as: High cost, energy availability, integration costs at existing plants, HSE concerns, robustness of solutions, and non-existing or immature CCUS value chains. These barriers motivate Ocean GeoLoop and the staff's effort in developing customized and competitive solutions for carbon capture.

Since 2020, Ocean GeoLoop has experienced great interest in the company's solutions for carbon capture. In this chapter we give a brief introduction to some industry partners with whom we work to develop commercial studies and activities. These are companies with an open innovation culture that work in broad partnerships to find solutions. This is completely in line with how we work in Ocean GeoLoop.



Franzefoss Minerals

Norske Skog Skogn

Yara Norge

Our customer approach

Franzefoss Minerals

Franzefoss Minerals AS is among the country's leading companies in the lime industry, and produce high quality lime for PCC for paper and other special industrial purposes. The company operates two lime kilns through the subsidiaries Verdalskalk AS (55%) and NorFraKalk AS (50%). The total emissions amount to approximately 250,000 tonnes of CO₂ from fossil fuels and from process emissions from limestone. The emissions from both the energy production and the process emissions from the minerals fall under the scope of the EU ETS. The lime and cement industry constitute significant "hard to abate emissions" globally. Through the international ownership structure of these production companies, the cooperation with Franzefoss Minerals constitutes a significant business potential for Ocean GeoLoop's carbon capture technology.

Hanne Markussen Eek

*CEO of Franzefoss Minerals
and chairman of NorFraKalk*

"Franzefoss Minerals and its subsidiaries Verdalskalk AS and NorFraKalk AS aim to contribute to the achievement of the national targets for reductions in emissions of greenhouse gases. To achieve this, CO₂ capture must be introduced at the group's lime kilns.

The most mature solution for CO₂ capture is based on amine technology. It is such a facility that is being installed at Norcem Brevik. This type of technology is not suitable for our facilities as it requires a lot of thermal energy, which we do not have available.

We want to contribute to developing the most energy-efficient and environmentally friendly technology possible, which is also suitable for capturing CO₂ at our lime kilns. This is the background for our partnership with Ocean GeoLoop. We have a common goal to execute testing of Ocean GeoLoop's technology at NorFraKalk in 2024."



Our customer approach

Norske Skog Skogn

Norske Skog Skogn is one of the largest newsprint mills in Europe. It was founded in 1962 and the first newsprint machine started its production in 1966. Serving customers worldwide, the mill has its own port facilities, and operates regular lines to the UK and Continental Europe. Norske Skog Skogn has annual biogenic CO₂ emissions of approximately 200,000 tons. The carbon footprint from the production of newsprint paper in Skogn is among the lowest in the industry. Norske Skog Skogn is looking for ways of creating business utilizing the biogenic CO₂ as a resource for industrial purposes.

Håvard Busklein

Managing Director Norske Skog Skogn

“As an integral part of the business strategy, Norske Skog Group is committed to reach net zero greenhouse gas emissions by 2050. We share Ocean GeoLoops ambition to develop an efficient system to capture, use and/or store our biogenic CO₂ emissions. So far, the partnership with Ocean GeoLoop has resulted in an exciting biogenic carbon capture project by bringing R&D and industry companies together. Norske Skog Skogn will going forward create green value from our fibre- and energy processes including biogenic CO₂.”





Our customer approach

Yara Norge

Yara International is one of the biggest fertilizer companies in the world. Headquartered in Oslo, Norway, Yara is a global leader in crop nutrition and environmental sustainability. The company has operations in 60 countries. Yara Norge AS and its operations at Herøya Industrial Park has already cut its greenhouse gas (GHG) emissions by 45% since 2005. A catalyst removing N₂O emissions, developed at Yara's own research centre has been key to this. The next target is to reduce GHG emissions by further 30% by 2030, and more than 80 projects have been initiated on the plants around the globe to reach this target. The planned electrification of the ammonia production at the Herøya plant is one major project in this regard. However, other process emissions cannot be electrified and is under consideration for carbon capture, utilization and storage (CCUS). Yara Norge AS has entered into an Letter of Intent with Ocean GeoLoop for carbon capture related to their expansion of the Calcium Nitrate plant at Herøya. This project will target hard to abate process emissions from the Calcium Nitrate production.

Ole-Jacob Siljan

Plant Manager Yara Norge AS

"Yara has high climate ambitions and has reduced its greenhouse gas emissions by 45% since 2005 and has further ambitions of being climate neutral by 2050.* Yara and OGL has entered into an agreement to investigate with the intention to start developing CCUS solutions with the goal of generating profitable value chains for CO₂ based on OGL's safe, environmentally friendly and industrially robust technology. Our partnership with OGL and Chevron New Energies is energizing and we will continue to jointly explore how to benefit from OGL's technology."

* <https://www.yara.no/gjoedssel/gjodselaktuelt/gjodselaktuelt-host-2022/slik-jobber-yara-med-a-kutte-utslipp/>



Our customer approach

Norðurál

Norðurál in Iceland is among the largest aluminum plants in Europe, with an annual production of 317,000 tons. Around 600 people work to extract pure aluminum from aluminum oxide with Icelandic energy from 100% renewable sources. Aluminum and aluminum alloys go to foreign markets, and the Icelandic aluminum industry is one of the country's largest export sectors. Norðurál produces aluminum with one of the smallest carbon footprints in the world. Considering the whole process, from the processing of raw materials to the delivery of the finished product, the carbon footprint of Norðurál aluminum only amounts to a quarter of the world average. The largest source of greenhouse gases from aluminum plants is the CO₂ emitted when carbon electrodes are burned in the electrolysis of aluminum. Greenhouse gas emissions directly linked to the production process of Norðurál fall under the scope of EU's emission trading system (ETS). Norðurál aspires to be the first aluminum plant in the world to produce carbon-neutral aluminum.



Gunnar Guðlaugsson

CEO of Norðurál

“Norðurál's aluminum product Natur-Al™, has direct CO₂ levels below two tons CO₂ per ton of aluminum – one of the lowest CO₂ footprints in the business. The aluminum industry is one of the most demanding industrial segments for carbon capture, with very low CO₂ concentration in the flue gas. A successful carbon capture solution will bring us closer to true carbon neutrality. Together with Ocean GeoLoop we will conduct a joint study on our complex flue gases and operational conditions at Ocean GeoLoop's facilities at SINTEF in Trondheim and at Skogn. A natural next step is to implement a project for CO₂ capture at our plant at Grundartangi.

The collaboration with Ocean GeoLoop has opened up new ideas and solutions to complex challenges. Building on their network of exciting new partners such as Hans Gude Gudesen, SINTEF and Chevron New Energies, is also of interest to Norðurál's parent company Century Aluminum, which has a strong focus on reducing its carbon footprint also at its USA plants.”

Financial highlights

Key figures and financial highlights

- Revenue and operating income in the first half year 2023 of NOK 83.2 million, up NOK 37.5 million from same period 2022 (1H 2022: 45.8)
- EBITDA of NOK -6.4 million (1H 2022: -21.9)
- Cash balance of NOK 133.8 million (1H 2022: 108.3)

Amounts in NOK thousand	Parent Company			Ocean GeoLoop Group		
	1H 2023	1H 2022	Full year 2022	1H 2023	1H 2022	Full year 2022
Revenue and operating income	-	50	50	83 216	45 752	128 093
Operating expenses	13 324	25 107	38 883	89 583	67 698	160 359
EBITDA	-13 324	-25 057	-38 833	-6 367	-21 946	-32 266
Operating profit (loss)	-16 161	-26 435	-42 748	-17 245	-25 976	-52 473
Pre-tax profit (loss)	-15 988	-26 447	-42 762	-18 873	-26 656	-53 922
Net profit (loss)	-15 988	-26 447	-42 762	-18 063	-26 656	-51 728
Net cash flow from operating activities	-25 944	-35 641	-37 107	-31 622	-33 137	-54 567
Cash balance end of period	129 459	97 420	174 182	133 844	108 317	179 831
Equity	245 034	166 743	260 472	261 840	190 018	279 353
Permanent employees (Headcount)	10	8	8	42	31	41

* H1 2023 consist of consolidated financial figures of Ocean GeoLoop AS and its subsidiaries, Energi Teknikk AS, Ocean TuniCell AS, Ocean M AB, Ocean Bergen AS and Ocean TuniFeed AS.

* H1 2022 consist of consolidated financial figures of Ocean GeoLoop AS and its subsidiaries, Energi Teknikk AS and Brekke Turbiner AS.

* EBITDA: Earnings before interest, tax, depreciation and amortization.

Business update

The GeoLoop Carbon Capture industrial pilot at Skogn

Since Q4 2022 the comprehensive long-term test program for Ocean GeoLoop's industrial carbon capture pilot has been carried out in cooperation with SINTEF Industry. The test program's objectives is to document operational industrial scalability, process robustness and efficiency. An important milestone during the test program was when the plant could be run autonomously - an ambitious goal achieved earlier than expected. Autonomous operations provide operational flexibility, improved HSE and reduces costs; features that are highly appreciated by industrial customers. During the test program we experienced operational shutdowns at the paper factory at Skogn, and the pilot performed well when operating conditions changed. The test-program also gave useful experience with components and equipment, where some minor adjustments have been made during the long-term test - without affecting the objectives and results of the test campaign. The collaboration with the subcontractors and partners has been very good. The milestone of 3,000 hours of operation was reached in August.



Business update

Commissioning of the down-scaled test-rig for carbon capture at SINTEF's premises in Trondheim

During first half of 2023, and according to the company's technology roadmap, the company executed planning, engineering, procurement, construction and commissioning of a down-scaled test-rig for Ocean GeoLoop's carbon capture technology at SINTEF's CO₂ lab in Trondheim. The installation is an agile optimizing tool for our core technology, and the location at SINTEF's premises increases our development capabilities through access to SINTEF's expertise. This is an efficient way forward with respect to time and cost both for the company's continued process improvements and for industrial partners looking for carbon capture technology.



Customer approach – a comprehensive development solution

The industrial pilot at Skogn, the scaled test facility and the company's process simulator form an effective infrastructure for optimizing carbon capture solutions for customers. This comprehensive test-infrastructure, the organizational set-up with internal resources and external R&D partners and suppliers is a solid platform to launch the GeoLoop Carbon Capture solution commercially.

Business update

We're building the e-Pump – a steppingstone for next generation GeoLoop Carbon Capture

The GeoLoop Carbon Capture technology is aimed to be operated in an energy-autonomous mode, in future generations powered by clean electricity from the e-Loop. The Company has exclusive access to the e-Loop technology for CCUS purposes. The first significant step to achieve this is the construction and testing of the e-pump. The e-pump project was initiated during spring 2023. The e-Pump technology utilizes thermal energy sources to create mechanical energy. This mechanical energy can be utilized to replace conventional components and/or to produce electricity. Detailed planning for a pilot installation at Norske Skog Skogn is ongoing, and we will revert with further information as the project progresses.



Maturing the GeoLoop Column

The challenging situation in the eutrophicated Oslofjord is still considered to be a potential entrance point in bringing the GeoLoop Column to the market. The Company is currently working to establish a Joint Stakeholder Initiative to progress the commercialization of the Column.



Business update

Ocean GeoLoop in the spotlight

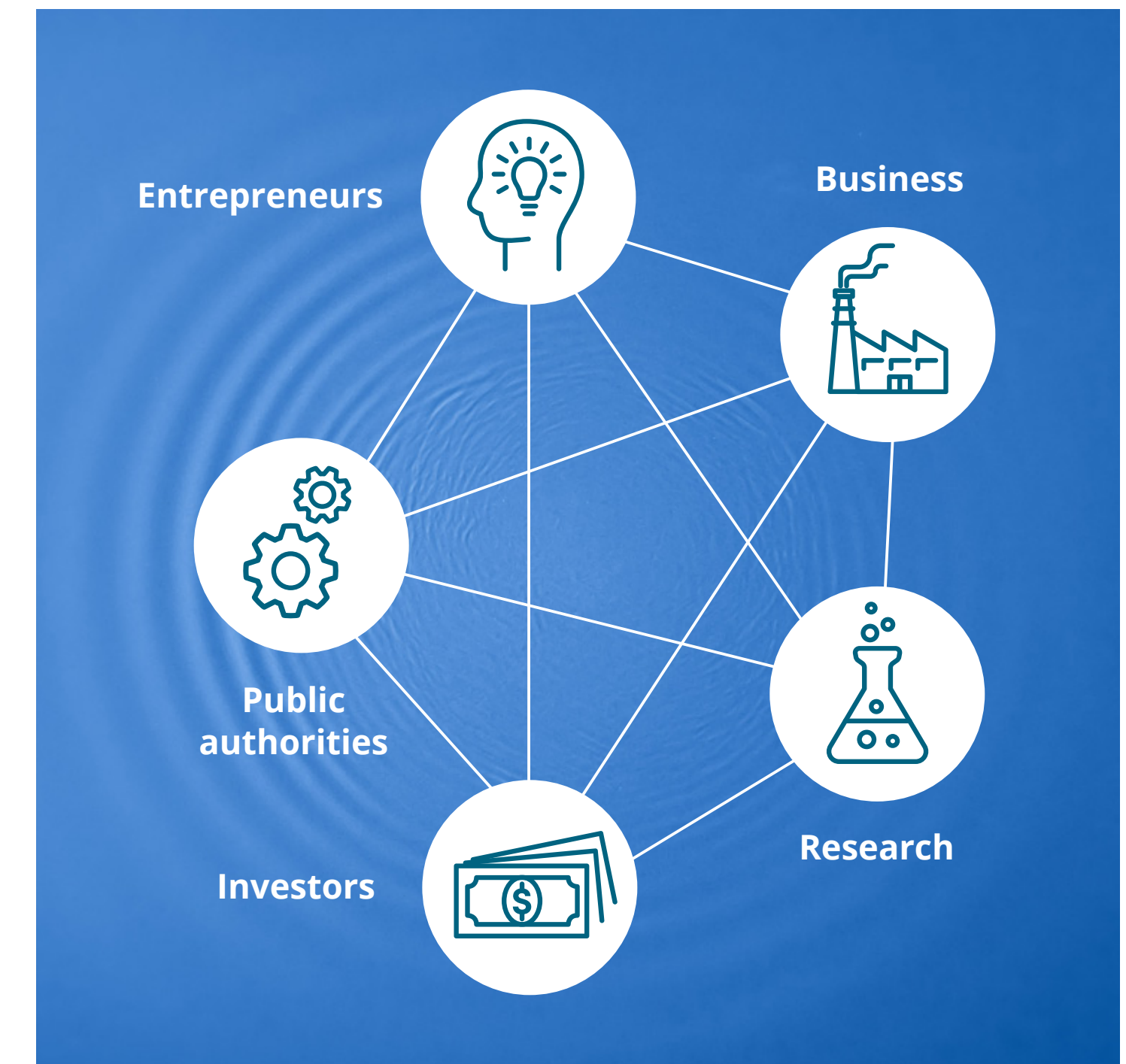
During Industriuka (The Industry Week) in Porsgrunn Ocean GeoLoop received the “Powered by Telemark award”. The award honored Ocean GeoLoop’s contribution to the collaborative culture, and the company’s work with Yara. The chairman of the board of the Powered by Telemark cluster, Jarann Wold Pettersen, stated:

“We believe the company is an excellent example of what the region desires – both in terms of their contribution to the culture of collaboration and the problems they dare to tackle in new ways.”

Since 2021, Ocean GeoLoop’s engagement and presence at Herøya Industry Park and in the Grenland region has been unwavering.

Value chain cooperation

The company is involved in several value chain collaborations, such as the “CarbonProof” project initiative. This project connects a broad industry network aiming to develop new sustainable CO₂-related value chains, and builds strong connections between industry, research and the public sector in the Trøndelag region.



Subsequent events

August 2023: Successful 3,000-hour carbon capture milestone: Passing the milestone for 3,000-hours of safe and autonomous operations of Ocean GeoLoop’s point-source carbon capture pilot at Norske Skog Skogn, provided further proof that the GeoLoop Carbon Capture technology is highly robust at industrial scale and conditions.

Interim consolidated financial statements

Responsibility statement

We confirm, to the best of our knowledge, that the condensed set of interim consolidated financial statements for the first half of 2023, which have been prepared in accordance with NRS 11 Interim Accounts, give a true and fair view of the company's assets,

liabilities, financial position and results of operation, and that the half year report provides a fair overview of additional disclosure requirements under the Norwegian Securities Trading Act. The Board of Directors and the CEO have today considered and

approved the consolidated condensed financial statements for the six months ended 30 June 2023, for Ocean GeoLoop.

Verdal, 7 September 2023

Anders Onarheim

Anders Onarheim
Chairman of the Board

Morten Platou

Morten Platou
Board member

Maren Hjorth Bauer

Maren Hjorth Bauer
Board member

Martha Kold Bakkevig

Martha Kold Bakkevig
Board member

Ole Rogstad Jørstad

Ole Rogstad Jørstad
Board member

Lars-Peder Sørvaag Sperre

Lars-Peder Sørvaag Sperre
Board member

Odd-Geir Lademo

Odd-Geir Lademo
CEO

Income statement

Consolidated condensed income statement (unaudited)

Amounts in NOK	Note	H1 2023	H1 2022	FY 2022
Revenues		83 215 859	45 752 435	128 092 923
Cost of goods sold		54 275 069	36 018 399	103 305 479
Salary and other personel cost		19 012 538	9 857 175	30 549 802
Other operating expenses		16 295 367	21 822 552	26 503 711
Operating profit (loss) before depreciation and impairment		-6 367 115	-21 945 691	-32 266 069
Depreciation, amortizations and write downs		10 877 612	4 030 099	20 206 476
Operating profit (loss)		-17 244 728	-25 975 791	-52 472 545
Net financial items		-1 627 931	-680 592	-1 449 137
Net profit (loss) before tax		-18 872 658	-26 656 382	-53 921 681
Income tax expence		809 534	-	2 193 263
Net profit (loss) for the period		-18 063 125	-26 656 382	-51 728 418
Equity holders of the parent company		-16 797 055	-26 576 505	-48 120 887
Non-controlling interests		-1 266 070	-79 877	-3 607 532

Balance sheet Consolidated condensed balance sheet (unaudited)

Amounts in NOK	Note	H1 2023	H1 2022	FY 2022	Amounts in NOK	Note	H1 2023	H1 2022	FY 2022
Assets					Equity				
Non-current assets					Share capital				
Intangible assets		65 692 124	67 782 192	71 222 635			527 155	499 698	527 155
Property, plant & equipment		67 656 704	26 238 941	52 943 079	Other equity and reserves		238 951 981	166 115 256	271 713 164
Total non-current assets		133 348 828	94 021 133	124 165 714	Non-controlling interests		22 360 605	23 403 071	7 112 631
Current assets					Total equity				
Inventory		4 373 410	1 920 737	4 486 857			261 839 741	190 018 025	279 352 949
Accounts receivables and other receivables		29 966 529	29 686 236	54 718 608	Non-current liabilities				
Cash and cash equivalents		133 843 629	108 316 810	179 830 694	Provisions				
Total current assets		168 183 568	139 923 783	239 036 160	Deferred tax liabilities		9 759 308	-	10 603 846
Total Assets		301 532 396	233 944 916	363 201 873	Provision for liabilities		7 000 000	-	7 000 000
					Total provisions				
							16 759 308	-	17 603 846
					Debt to financial institutions				
							2 737 771	926 311	2 426 636
					Total non-current liabilities				
							19 497 079	926 311	20 030 482
					Current liabilities				
					Accounts payable and other current liabilities				
							20 195 577	43 000 580	63 818 442
					Total current liabilities				
							20 195 577	43 000 580	63 818 442
					Total equity and liabilities				
							301 532 396	233 944 916	363 201 873

Verdal, 7 September 2023

Anders Onarheim

Anders Onarheim
Chairman of the Board

Morten Platou

Morten Platou
Board member

Maren Hjorth Bauer

Maren Hjorth Bauer
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Lars-Peder Sørvaag Sperre

Lars-Peder Sørvaag Sperre
Board member

Odd-Geir Lademo

Odd-Geir Lademo
CEO

Equity

Consolidated condensed statement of changes in equity (unaudited)

Amounts in NOK	Share Capital	Share Premium Reserve	Other Paid-in Capital	Total Retained Earnings	Non-controlling interests	Total Equity Incl. Non-ctr intr
Opening balance 1 January 2023	527 155	363 494 263	-16 100 847	-75 680 251	7 112 631	279 352 951
Correction				-17 135 793	17 135 793	-
Transactions with non-controlling interests				621 749	-621 749	-
Share based payments			549 917	-2	-	549 915
Profit/Loss for the period				-16 797 055	-1 266 070	-18 063 125
Closing Balance 30 June 2023	527 155	363 494 263	-15 550 930	-108 991 352	22 360 605	261 839 741

Cash flow

Consolidated condensed statement of cash flow (unaudited)

Amounts in NOK	Note	H1 2023	H1 2022	FY 2022
Cash flow from operating activities				
Net profit before tax		-18 872 658	-26 656 382	-53 921 681
Income tax payable		-31 979	-	-
Depreciation and amortisation expenses		10 877 612	2 693 238	20 206 476
Changes in inventories, acc. receivables and acc. payable		5 997 382	-369 911	-37 020 508
Changes in other accruals		-29 592 306	-8 804 133	16 169 138
Net cash flow from operating activities		-31 621 948	-33 137 188	-54 566 574
Cash flows from investing activities				
Purchase of tangible non current assets		-20 060 726	-23 940 008	-31 528 692
Cashflow effect from Business Combinations		-	-7 130 110	-5 714 638
Net purchase and proceeds from other investments		-	2 000	2 587
Net cash flow used in investing activities		-20 060 727	-31 068 118	-37 240 743
Cash flows from financing activities				
Proceeds from recent borrowings (long term and short term)		311 135	-92 882	809 011
Changes in bank overdraft		5 384 475	-	-
Changes in paid-in-capital		-	30 100 056	128 314 000
Net cash flow from financing activities		5 695 610	30 007 174	129 123 011
Net increase/(decrease) in cash and cash equivalents		-45 987 065	-34 198 132	37 315 694
Cash and cash equivalents at beginning of period		179 830 694	142 514 942	142 515 000
Cash and cash equivalents at end of period		133 843 629	108 316 810	179 830 694

Notes

Note 1 General information

Ocean GeoLoop AS is a private limited company incorporated and domiciled in Norway. The registered address of the office is Neptunvegen 6, 7652 Verdal.

Ocean GeoLoop AS is a green-tech company using nature's own way of solving the challenges of our time in a circular way. The company has introduced the GeoLoop CC technology that captures point source CO₂ emissions, using natural and harmless processes. In 2023 the company will build a pilot to further develop the e-Loop, a novel technology for electricity production. The GeoLoop CC and the e-Loop will help companies and countries to reach their goals of reduced emissions and to get access to renewable electricity for the green transition. The company is listed on Oslo Børs Euronext Growth under the ticker OCEAN.

The financial report is authorized for issue by the Board of Directors as of 07.09.2023.

Note 2 Accounting policies

The condensed financial statements of Ocean GeoLoop AS and its subsidiaries (the "Group") are prepared in accordance with Norwegian Generally Accepted Accounting Principles (N-GAAP) and NRS 11. Please refer to the 2022 annual report for a detailed description of the accounting policies. The report is available on www.oceangeoloop.com

As a result of rounding differences, numbers or percentages may not add up to the total.

Note 3 Judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. The estimates and judgements are reviewed on an ongoing basis, considering the current and expected future market conditions. Changes in accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Refer to the annual report of 2022 for more details related to key judgements and estimation.



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