

HALF-YEAR REPORT

First Half of 2024

Vow Green Metals



Content

Vow Green Metals AS, and its subsidiaries, VGM Operatør AS and Vow Green Metals Follum AS, ("**Vow Green Metals**" or "**the Company**") is on a mission to accelerate the world's transition to renewable materials by offering viable green alternatives to replace fossil materials in the metallurgical industry.

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1.

ABOUT VOW GREEN METALS



Spearheading the development of a rapidly growing biocarbon industry.

Vow Green Metals' strategy is to be a leading producer of biocarbon and other carbon neutral products that enabled the green transitions in hard-to-abate industries. We are on a mission to accelerate the world's transition to renewable materials by offering green alternatives to replace fossil reduction agents in the metallurgical industry. The core of the business is to build, own and operate biocarbon production plants using state-of-the-art pyrolysis technology to turn biomass and biomass waste-streams into our core product, biocarbon. With our standardized solutions, unique access to appropriate technology, and a growing global pipeline of projects, we are upholding our first mover position in a growing market where speed and scale will be determining factors.

Building a profitable business while meaningfully reducing emissions

Leading producer of advanced biocarbon and other green products enabling low-cost renewable production at scale for the metallurgical industry

Market leader in a rapidly growing market

Clear targets to realize 200,000 tons of biocarbon production capacity by 2028, and ambition to exceed 500,000 tons within 2030

Proven technology and standardized factory modules in place

Secured IP rights to standardized plant architecture and biocarbon factory modules and unique access to proprietary technology

Vow Green Metals at a glance

Unprecedented climate effects

1 ton of biocarbon enables the reduction of ~5 tons of fossil CO₂ emissions when used in the metallurgical industry



Clear 2030 ambition

Realizing projects with 500,000 tons pa. total production capacity

Mature projects

Ongoing projects with production capacity of >50,000 tons of biocarbon

Production ongoing

Industrial scale production with 2,500 tons capacity²

Abatement potential

~2.5 million tons of fossil CO₂¹. Equivalent to 6 percent of Norway's annual emissions¹

Investment highlights



Massive addressable market in Europe with demand for 56 million tons of fossil coal annually³ – high willingness to pay for sustainable reduction materials.



Opportunity to realize more than 200,000 ton biocarbon production capacity with FIDs from 2024 to 2028.



Industrial-scale production and R&D facility in place to deliver initial volumes of biocarbon to established partners and produce samples and develop recipes to mature new markets and new offtake partners.



Long-term offtake secured for the large-scale project at Hønefoss with supply agreement for 15,000 tons of biocarbon signed with Elkem, one of the world's leading providers of advance silicon-based materials.



Vow Green Metals' production facilities offers surplus energy and is not heavily dependant on grid capacity, making the concept a welcomed addition to any industrial hub seeking energy symbiosis.



Investment case thoroughly scrutinized by expert panel of governmental enterprises Siva and Eksfin and industrial and financial partners DNB, Skagerak and Vardar.



Unique access to proven and proprietary technology and IP – Vow Green Metals' large-scale process concept recently passed 3rd party technology verification conducted by Afry.



Commercially de-risked market with metallurgical producers racing to secure access to biocarbon as first-movers have already signed long-term biocarbon offtake agreements in the Nordics.

2.

HIGHLIGHTS – FIRST HALF 2024



2- HIGHLIGHTS – FIRST HALF 2024

First half year 2024 – Funds raised and 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:**
 - In April, the subsidiary, VGM Operatør AS, received an indicative term sheet to raise green debt loan financing from DNB. The indicative term sheet includes a 50 percent loan guarantee from the governmental financial enterprise, Export Finance Norway (Eksfin).
 - 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 shareholder 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, earlier this year
 - Pre-study with Carbon Centric for CCU and energy offtake is ongoing

Subsequent events:

- Loan agreement for the Hønefoss facility (“VGM Operatør AS”) with DNB, 50 percent guaranteed by Eksfin, of NOK 344 million was signed in July

3.

FINANCIAL REVIEW

3 – FINANCIAL REVIEW

Key Figures

Profit and Loss (Amounts in MNOK)	Unaudited H1-2024	Unaudited H1-2023	Audited 2023
<i>Statement of income</i>			
EBITDA	(13.9)	(9.4)	(23.9)
Profit for the period	(15.7)	(9.5)	(26.0)
<i>Balance sheet</i> (Amounts in MNOK)			
			Unaudited H1-2024
Total non-current assets			231.7
Total current assets			44.3
Total assets			276.0
Total equity			202.2
Total non-current liabilities			40.0
Total current liabilities			33.8
Total equity and liabilities			276.0

Financial review first half 2024

- Vow Green Metals recorded an operating loss (EBITDA) for the first half 2024 of NOK 13.9 million. The operating loss is related to employee- and other operating expenses.
- Expenses for salary, social security tax, and pension cost for first half of 2024 amounted to NOK 10.8 million, of which NOK 5.7 million of employee expenses was capitalized under assets under construction.
- Other operating expenses for the first half of 2024 amounted to NOK 8.8 million and consists of legal, audit, consulting fees and other general expenses.
- Profit before tax for the first six months of 2024 ended with a net loss of NOK 15.7 million.
- Total non-current assets as of 30 June 2024 were NOK 231.7 million and consist mainly of the development of the Hønefoss project and recognized lease contract for the production equipment (the “early production line”).
- Total assets were NOK 276.0 million with a cash position of NOK 37.3 million.
- Total equity of NOK 202.2 million (Equity ratio of 73%).

4.

OPERATIONAL REVIEW AND OUTLOOK

4 – OPERATIONAL REVIEW AND OUTLOOK

The first half of 2024 was marked by significant industrial, commercial, and financial progress with the commencement of construction of the large-scale biocarbon facility at Hønefoss, the entering of a long-term supply agreement with Elkem and the welcoming of new strategic investors.



Vow Green Metals' production and test facility entered operations in the first quarter of 2024, and is continuing to ramp up its production capacity

Strategic process to ensure speed and scale initiated

On April 8, 2024, the Company announced the initiation of a strategic process to raise capital to accelerate the realization of the Company's project portfolio and global project pipeline. Pareto Securities was engaged to assist in evaluating strategic and financial options.

The Company ambition is to realize 200,000 tons of biocarbon production capacity by 2028 using its advantageous position. The full presentation is available here:

www.vowgreenmetals.com/investors/results-and-presentations

In May, NOK 70 million in equity was raised through a NOK 20 million cash investment from Skagerak Energipartner, a Skagerak Energi AS subsidiary, and NOK 50 million through a debt conversion by Vardar AS.

The Company remains opportunistic with regards to raising further capital to fuel its ambition to realize the significant potential in the growing biocarbon market.

Early Production Line in operation

With its production capacity of 2,500 tons of biocarbon, Vow Green Metals' early production line at Hønefoss will accelerate the Company's commercial operations by enabling the delivery of industrial volumes of biocarbon to established partners and product samples to mature new markets and relationships with industrial offtakers. The production facility employs a Biogreen pyrolysis reactor, which operates solely on electric power. This is the same technology that will be installed in the first phase of the Company's large-scale plant at Hønefoss.

The facility entered operations in the first quarter of 2024, after a period of cold and hot commissioning, testing and identifying improvements which will reduce the cost and lead-time of future projects. The Company expects to ramp-up the production capacity over the following months.



Hønefoss first phase (10,000 tons of production capacity)

In close cooperation with Treklyngen Industripark, Vardar Varme and other partners co-located at the industrial park at Hønefoss, Eastern Norway, Vow Green Metals is building a large-scale biocarbon facility, set to become one of Europe's largest. The first phase of the biocarbon facility will have an annual production capacity of 10,000 tons of biocarbon.



Construction commenced by local entrepreneur in July 2024.

The project is forging ahead with civil works which commenced in the beginning of May 2024 and is progressing according to scheduled construction timeline. Equipment and process installation will follow in the second half of 2024. In April Vow Green Metals and Vardar Varme AS

signed an agreement for energy offtake from the plant to utilize excess heat.

The operation permit from the Norwegian Environment Agency was received during the first quarter of 2024.

Hønefoss second phase (20,000 tons of production capacity)

Vow Green Metals is planning to do a phased development of the large-scale facility at Hønefoss, with a doubling of the production capacity from 10,000 to 20,000 tons. In the second phase, the Company plans to use a large-scale pyrolysis reactor from VOW ASA and its subsidiary, C.H. Evensen. This technology is well-suited for large-scale production of biocarbon. The technology offers a hybrid-energy solution, providing additional flexibility as it can run on both gas and on electricity. In addition, the C.H. Evensen reactor is largely self-sufficient with power as it can run on the bioenergy it produces in the process of producing biocarbon. Consequently, the second phase expansion of the Hønefoss project does not depend on an expansion in the power grid capacity in the area. In the second half of 2023 Vow Green Metals decided to do a re-engineering of the large-scale plant to fit the additional process equipment related to the second phase into the buildings related to the first phase of the project to cut cost. The decision resulted in reducing complexity from two subsequent construction stages to one construction stage. The Company expects to execute a final investment

decision (FID) of the second phase before year-end.



Civil works ongoing. Picture taken in August 2024 showing groundwork in progress for feedstock handling.

Viken Park (30,000 tons of production capacity)

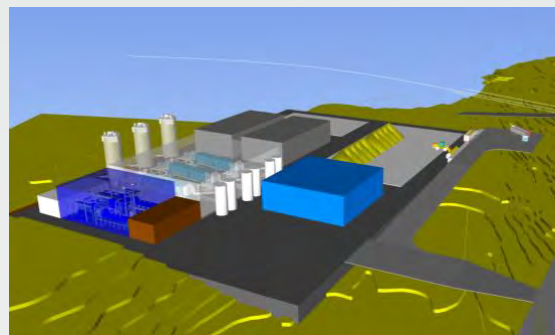
The Viken Park biocarbon production plant will supply the Viken Park area with bioenergy while producing biocarbon and bio-oil for industrial use, making it a key project in ensuring zero emissions industries in the area.



The Viken Park Concept

Following a successful feasibility study of the project, a pre-study for a plant with potential production capacity of 30,000 tons of biocarbon commenced last year

and has since then evolved to also include studies for a CCU concept together with Carbon Centric. The project is progressing, currently working with an energy symbioses study together with other stakeholders within the industrial park project. In addition, a pre-study for core technology is completed.



Viken Park: Preliminary 3D layout of the plot

As an important step to mature the project, Vow Green Metals has entered several strategic partnerships with the signing of Letter of Intents for feedstock and CCU and energy offtake for the large-scale production facility at Viken Park. The regulatory plan for the area has been processed in Fredrikstad municipality and is currently out for consultation. The case is expected to be processed in the municipal council in October 2024, after a couple of months delay, meaning that the company now expects execute a final investment decision (FID) for the project in the first half of 2025.

Forming key partnerships

On 4 January, 2024, Vow Green Metals and Elkem ASA, one of the world's leading providers of advanced silicon-based materials, announced that they have signed a supply agreement for the annual delivery of 15,000 tons of biocarbon. In line with the Company's commercial strategy, the remaining available volume from the Hønefoss site is retained to further mature and develop collaborations with other industry offtakers.

As announced in 2023, Vardar AS, a regional renewable energy producer with operations and ownership within bioenergy, CCU, wind, solar and hydropower committed to invest NOK 100 million in Vow Green Metals. This was partly executed in 2023 with a NOK 50 million investment classified as a convertible loan in Vow Green Metals AS and 50 million as a pledged direct investment in the subsidiary holding the Hønefoss project. The latter was executed in April 2024.

The abovementioned loan was converted into equity in May. At the same time Skagerak Energipartner AS, a subsidiary of the energy company Skagerak Energi AS, invested NOK 20 million in Vow Green Metals.

Furthermore, the Company secured financing of its “Early Production Line” from Sparebank 1 SR-Bank through a leasing agreement. Sparebank 1 SR-Bank has also given a revolving credit facility of MNOK 10.

Risk and uncertainties

Vow Green Metals is exposed to several risks, and the Board and executive management are continuously monitoring the Company’s risk exposure, working to improve its internal control processes and mitigation efforts. For a further description of the risk factors, please see an overview in the annual report for 2023, published on 25 April 2024. The report can be found here:

www.vowgreenmetals.com/investors/results-and-presentations



Outlook

Vow Green Metals is targeting to reach a production capacity of 200,000 tons of biocarbon by 2028, exceeding 500,000 tons within 2030. The Company has already matured its key projects portfolio with clear paths to realizing near-term production volumes exceeding 50,000 tons of production capacity, meaning that the company is in good shape to reach its 2028 target. The Company has formed a number of key partnerships throughout 2023 and first half of 2024, and both strategic, industrial and financial partners have joined Vow Green Metals in building a new green industry leaving the Company well positioned for further growth.

Since the fall of 2023, Vow Green Metals experienced a significant increase in the interest for biocarbon from metallurgical companies, and other industries. In January 2024, Vow Green Metals signed a long-term supply agreement for 15,000 tons of biocarbon with Elkem, one of the world's leading providers of advanced silicon-based materials. Similar contracts have been entered into by other companies in the metallurgical industry the last year, demonstrating a clear shift in the interest of using biocarbon as a key enabler for transitioning towards fossil-free production. Vow Green Metals is in dialogue with several metallurgical companies that are actively seeking to secure access to significant volumes of biocarbon, demonstrating that the market for biobased reduction agents for the metallurgical industry is commercially mature.

Since the launch of the European Green Deal in 2019, the metallurgical industry has been widely recognized as one of the most important strategic capacities of Europe, but at the same time as one of the most challenging sectors to decarbonize. Most metallurgical companies have set clear ambitions to make a significant

transition from fossil to biobased production. Elkem has stated that it aims to replace 40 percent of its fossil coal consumption with biocarbon by 2031. Ferroglobe and Wacker have set similar targets, with the aim to reduce emissions with 30 and 50 percent, respectively, by 2030. In this context, the Company expects to see enhanced demand for biocarbon as a solution to decarbonize Europe's traditional metallurgical industry. As coal is phased out as an energy source, it will become increasingly difficult to source high-quality coal needed for metal production. At the same time, the green transition and other macro trends, like the rise of the middle class worldwide, are creating a pull in demand for sustainable metal-based materials to be used in transportation and electronics, and silicon-based renewable technologies, such as solar PV.

The EU ETS has continued to be volatile in 2024, but stabilized at around 70 EUR per ton in the latter part of first half year 2024. In its Global Energy and Climate Model, the International Energy Agency (IEA) projects an average price of 250 USD per ton of CO₂ in advanced economies by 2050. This will result in a high alternative cost of using fossil reduction materials, making biocarbon even more competitive and providing opportunity to further increase margins.

Renewable Energy Directive III (RED III) is another regulatory action that favors Vow Green Metals and its biocarbon production. The co-legislators in EU have reached an agreement to strengthen sustainability criteria for biomass by stating that woody biomass should be used according to its higher economic and environmental added value. This promotes the recovery of wood waste for biocarbon production, which will be an enabler for expanding Vow Green Metals' biocarbon production facilities in Europe in the coming years.

A close-up, low-angle photograph of a microscope's objective lens and stage. The lens is in sharp focus, while the stage and other parts of the microscope are blurred. The lighting is soft and directional, creating a professional and scientific atmosphere.

5.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

5 – ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Vow Green Metals' business is climate friendly at the core, as the Company paves the way for increased biocarbon supply to the metallurgical industry, enabling large-scale decarbonization of this critical hard-to-abate industry. The company is also producing bio-oil and bioenergy which can replace fossil alternatives in many industries. Alongside progressing its core activities, Vow Green Metals promotes responsible business practices with respect to both the environment, people, and society. This means that the company works systematically on issues such as HSE (Health, safety and environment), non-discrimination, human and labour rights, anti-corruption, responsible sourcing, and responsible marketing practices. The Company respects fundamental human rights as described in international human rights conventions such as the UN Convention on Human Rights and the labour rights conventions of the International Labour Organization (ILO). To promote responsible business practices throughout the value chain, Vow Green Metals is facilitating good dialogue with its stakeholders.



Accelerating the green shift

Vow Green Metals is on a mission to accelerate the world's transition to renewable materials by offering viable green alternatives to replace fossil materials in the metallurgical industry. This industry accounts for close to ten percent of global CO₂ emissions and is

recognized as a hard-to-abate industry. Sourcing biocarbon is one of few viable solutions to decarbonize this industry. In some industry verticals, biocarbon is the only available and viable option to decarbonize. Vow Green Metals enables the metallurgical industry to join the green transition and achieve CO₂ neutrality by replacing fossil carbon with biocarbon derived from biomass and biomass waste streams such as wood waste and demolition wood.



UN Sustainable Development Goals

The United Nations' Sustainable Development Goals (SDGs) are a global call of action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. Vow Green Metals recognizes the importance of all 17 SDGs and aspires to contribute to all of them. Anchored in the Company's core business and corporate strategy, Vow Green Metals naturally prioritizes and puts special emphasis on the following four SDGs:



SDG 7 Affordable and clean energy

Vow Green Metals' circular biocarbon process produces significant amounts of clean energy, which can help decarbonize several industries, or be re-used in the Company's biocarbon production process.



SDG 9 Industry, innovation, and infrastructure

Vow Green Metals is leading the way in building a biocarbon industry which enables the metallurgical industry to replace fossil reduction materials with valuable biocarbon in their metal making processes



SDG 12 Responsible consumption and production

With our environmentally friendly and circular biocarbon production process, we add value to the biomass life cycle, and thus we are enhancing circular economy. We also use SDG 12 as guidance in our procurement practices.



SDG 13 Climate action

We are producing biocarbon and other green products to combat climate change by enabling hard-to-abate industries to decarbonize their production processes

Health, safety and environment (HSE)

Vow Green Metals works actively with health, safety, and environment (HSE). The Company is ramping up operations of the early production line at Hønefoss, Eastern Norway, in addition to the commencement of construction of the large-scale facility in the same area, which calls for an increased focus on HSE. Vow Green Metals is committed to comply with strict health and safety standards and is focusing on building a strong HSE culture within the organization to ensure the highest quality and safety standards. Vow Green Metals aims to be an attractive workplace, where the individual employee can use their skills and abilities.

The Company's target is to ensure that no serious accidents occur in relation to its operations. All employees shall have a good physical, psychosocial and

organizational working environment, which is better or at least as good as other companies within the same industry. Vow Green Metals aspires to be among the leaders in the industry when it comes to ensuring the least possible negative impact on the environment.

The Company has good internal controls with a systematic, well-documented and targeted approach to HSE with the purpose of preventing undesirable incidents and ensuring a good working environment, low absence due to illness rate, good profitability, and keeping emissions to a minimum. The Company has strict requirements for HSE in selecting various suppliers. In 2024, absence due to illness was 0.1 percent. Which is well below the Company's 5 percent target.



Vow Green Metals has established clear targets for its HSE efforts, laid down in the Company's HSE handbook:

- No injuries or accidents of any kind
 - Injuries with absence = 0 per calendar year

GENDER COMPOSITION

As of 30 June 2024, the Company had 15 employees, of which 3 women.

The board of Vow Green Metals AS consists of 5 persons, of which 3 are women.

OUR APPROACH TO SUSTAINABILITY

With high ambitions within the area of sustainability, Vow Green Metals is committed to develop its approach to this important area as the business grows. The Company's efforts within the sustainability area will be progressed further in 2024.

- Injuries without absence < 5 per calendar year
- Sickness leaves below 5 percent
- The work tasks shall be meaningful, and we must have a productive working environment
- Processing of deviation reports and improvement proposals shall be completed within 30 days
- Waste sorting rate > 80 percent

Diversity and equal opportunities

The Company is working to prevent discrimination and to ensure equal opportunities for its employees regardless of gender, age, ethnicity, religion, belief, disability, pregnancy, parental leave, care responsibility, sexual orientation, gender identity, gender expression, or combinations of these grounds.

The Company will continue its efforts to get its policy framework in place to ensure that the sustainability work is implemented widely in the business.

6.

FINANCIAL STATEMENTS FIRST HALF 2024



6 – FINANCIAL STATEMENTS FIRST HALF 2024

Profit and loss

CONSOLIDATED STATEMENT OF INCOME

<i>(Amounts in 1000 NOK)</i>	<i>Note</i>	Unaudited H1 2024	Unaudited H1 2023	Audited 2023
Employee expenses	2	-5 130	-2 435	-9 442
Other operating expenses	3	-8 810	-6 946	-14 464
EBITDA		-13 940	-9 382	-23 906
Depreciation and amortisation	4, 5, 6	-1 225	-145	-785
EBIT		-15 165	-9 527	-24 691
Finance income		5	0	1
Finance expense	7	-497	-17	-1 277
Net financial items		-493	-17	-1 276
Profit before tax		-15 658	-9 544	-25 967
Income tax expenses		0		0
Profit for the period		-15 658	-9 544	-25 967
<i>Attributable to:</i>				
Owners of the parent		-15 615	0	0
Non-controlling interests		-43	0	0
		-15 658	0	0

Balance sheet

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>(Amounts in 1000 NOK)</i>	<i>Note</i>	Unaudited 30.06.2024	Unaudited 30.06.2023	Audited 31.12.2023
ASSETS				
Non-current assets				
Property, plant and equipment	4	377	83	196
Intangible assets	5	8 726	4 408	6 027
Other intangible assets	5	3 356	4 078	3 647
Assets under construction	6	167 184	96 433	126 153
Right-of-use assets	7	52 006	346	793
Total non-current assets		231 649	105 349	136 817
Current assets				
Inventories		65	0	65
Other receivables		6 994	10 163	4 966
Cash and cash equivalents	8	37 312	10 300	41 323
Total current assets		44 372	20 463	46 354
Total assets		276 021	125 812	183 171
EQUITY AND LIABILITIES				
Equity				
Share capital	9	1 318	1 074	1 074
Share premium		217 552	149 872	149 872
Other reserves		53 094	3 026	3 094
Retained earnings		(71 800)	(37 643)	(54 067)
Equity attributable to owners of the parent		202 240	116 329	99 974
<i>Attributable to:</i>				
Non-controlling interest		42 796	0	0
Owners of the parent		159 444	0	0
Total equity		202 240	0	0
Liabilities				
Non-current liabilities				
Long term borrowings	10	3 500	0	50 000
Non-current lease liabilities	7	36 483	84	575
Total non-current liabilities		39 983	84	50 575
Current liabilities				
Trade creditors	11	18 019	6 284	8 696
Current borrowings from associates	11	969	969	20 568
Public duties payable	12	1 749	709	1 466
Current lease liabilities	7	6 297	268	231
Other current liabilities	12	6 764	1 169	1 662
Total current liabilities		33 798	9 399	32 623
Total liabilities		73 781	9 483	83 197
Total equity and liabilities		276 021	125 812	183 171

Board of Directors

Lysaker, Norway, 20 August 2024
The Board of Directors and CEO
Vow Green Metals AS



Narve Reiten
Chairman



Kari Stine Tærum
Board member



Line Tønnessen
Board member



Trude Sundset
Board member



Geir Kulås
Board member



Cecilie Jonassen
Chief Executive Officer

STATEMENT OF CHANGES IN EQUITY

30.06.2024

(Amounts in 1000 NOK)	Share capital	Share premium	Other reserves	Other paid in capital	Retained earnings	Total	Non- controlling interest	Total equity
Equity at 31.12.2023	1 074	149 872	3 094	0	(54 067)	99 974	0	99 974
Profit for the period	0	0	0	0	(15 615)	(15 615)	(43)	(16 658)
Share capital increase ¹⁾	244	67 680	0	7 162	0	75 086	42 838	117 924
Equity at 30.06.2024	1 318	219 628	3 094	7 162	(69 681)	159 444	42 796	202 240

30.06.2023

(Amounts in 1000 NOK)	Share capital	Share premium	Other reserves	Other paid in capital	Retained earnings	Total	Non- controlling interest	Total equity
Equity at 31.12.2022	1 074	149 872	3 043	0	(28 099)	125 889	0	125 889
Profit for the period	0	0	0	0	(9 544)	(9 544)	0	(9 544)
Share capital increase ²⁾	0	0	(17)	0	0	(17)	0	(17)
Equity at 30.06.2023	1 074	149 872	3 026	-	(37 643)	116 329	-	116 329

31.12.2023

(Amounts in 1000 NOK)	Share capital	Share premium	Other reserves	Other paid in capital	Retained earnings	Total	Non- controlling interest	Total equity
Equity at 31.12.2022	1 074	149 872	3 043	0	(28 099)	125 889	0	125 889
Profit for the period	0	0	0	0	(25 967)	(25 967)	0	(25 967)
Share capital increase	0	0	0	0	0	0	0	0
Stock options ³⁾	0	0	52	0	0	52	0	52
Equity at 31.12.2023	1 074	149 872	3 094	0	(54 067)	99 974	0	99 974

¹⁾ Share capital increase relates to the MNOK 100 investment from Vardar AS and the NOK 20 million investment from Skagerak Energi AS. Please see note 9.

²⁾ Share capital increase relates to the establishment of Vow Green Metals Follum AS and VGM Operatør AS.

³⁾ Stock options were exercised in September 2022 in connection with employee stock option program.

CASH FLOW STATEMENT

CONSOLIDATED CASH FLOW STATEMENT

<i>(Amounts in 1000 NOK)</i>	<i>Note</i>	Unaudited H1 2024	Unaudited H1 2023	Audited 2023
Cash flow from operating activities				
Result before income tax		(15 658)	(9 544)	(25 967)
Adjustments:				
Depreciation and amortisation	4, 5, 7	1 225	73	785
Interest		0	0	0
Valuation outstanding options		0	0	52
Changes in inventories		0	0	(65)
Changes in other receivables		(2 028)	(1 310)	(3 955)
Change in current liabilities		(10 892)	(500)	21 290
Net cash flow from operating activities		(27 353)	(11 282)	(7 860)
Cash flow from investing activities				
Investments in tangible assets	4	(232)	(35)	(191)
Investments in intangible assets	5	(2 699)	(3 313)	(4 932)
Investments in assets under construction	6	(31 531)	(17 568)	(45 790)
Investment in subsidiaries		0	0	0
Net cash flow from investing activities		(34 462)	(20 917)	(50 912)
Cash flow from financing activities				
Interest received		0	0	0
Proceeds from issuing stock		67 924	0	0
Leasing obligations		(10 120)	(52)	(297)
Long term borrowings	10	0	0	50 000
Proceeds from Enova Grant	6	0	0	7 842
Net cash flow from financing activities		57 804	(52)	57 544
Net change in cash and cash equivalents		(4 011)	(32 251)	(1 228)
Cash and cash equivalents at start of period		41 323	42 551	42 551
Cash and cash equivalents at end of period		37 312	10 300	41 323
Non-restricted cash		36 215	9 937	40 580
Restricted cash		1 098	363	743
Cash and cash equivalents at end of period		37 312	10 300	41 323

NOTES

NOTES

NOTE 1 GENERAL INFORMATION

VGM Operatør AS, a 75 percent owned subsidiary of Vow Green Metals AS, was established in June 2023, to own and operate the process related to Vow Green Metals AS' production plant at Hønefoss, Norway.

This interim financial information for the First Half Year 2024 has been prepared pursuant to IAS 34 «interim financial reporting». The interim Financial Reporting should be read in conjunction with the annual Financial Statements for the year ended 31 December 2023, which have been prepared in accordance with IFRS, as adopted by European Union. The accounting policies implemented are consistent with those of the annual financial statements for the year ended December 2023.

NOTE 2 EMPLOYEE EXPENSES

<i>(Amounts in 1000 NOK)</i>	H1 2024	H1 2023	2023
Salaries	7 844	5 078	13 437
Social security tax	1 285	694	2 355
Pension cost	466	307	721
Other benefits	1 192	51	1 636
Total employee expenses	10 788	6 131	18 148
Employee expenses capitalised to investment projects	(5 658)	(3 696)	(8 706)
Total costs recognised as employee expenses	5 130	2 435	9 442

NOTE 3 OTHER OPERATING EXPENSES

<i>(Amounts in 1000 NOK)</i>	H1 2024	H1 2023	2023
Legal	536	465	1 320
Audit fees	405	375	465
Consultant fees	4 740	4 322	8 796
Listing fees	303	332	450
Other expenses	2 827	1 452	3 434
Total other operating expenses	8 810	6 946	14 464

NOTE 4 PROPERTY, PLANT AND EQUIPMENT

30.06.2024

(Amounts in 1000 NOK)

Office, furniture and equipment

Cost:

At 1 January 2024	267
Additions	231
At 30 June 2024	498

Depreciation and impairment:

At 1 January 2024	(71)
-------------------	------

Depreciation this year	(51)
------------------------	------

At 30 June 2024	(122)
------------------------	--------------

Carrying amount at 30 June 2024	377
----------------------------------------	------------

Useful life	3 years
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Depreciation method	Linear
---------------------	--------

30.06.2023*(Amounts in 1000 NOK)***Office, furniture and equipment****Cost:**

At 1 January 2023	76
-------------------	----

Additions	42
-----------	----

At 30 June 2023	118
------------------------	------------

Depreciation and impairment:

At 1 January 2023	(22)
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Depreciation this year	(13)
------------------------	------

At 30 June 2023	(35)
------------------------	-------------

Carrying amount at 30 June 2023	83
----------------------------------------	-----------

Useful life	3 years
-------------	---------

Depreciation method	Linear
---------------------	--------

31.12.2023*(Amounts in 1000 NOK)***Office, furniture and equipment****Cost:**

At 1 January 2023	76
-------------------	----

Additions	191
-----------	-----

At 31 December 2023	267
----------------------------	------------

Depreciation and impairment:

At 1 January 2023	(22)
-------------------	------

Depreciation this year	(48)
------------------------	------

At 31 December 2023	(71)
----------------------------	-------------

Carrying amount at 31 December 2023	196
--------------------------------------------	------------

Useful life	3 years
-------------	---------

Depreciation method	Linear
---------------------	--------

NOTE 5 INTANGIBLE ASSETS

The company has acquired the value of the development cost for the new planned biocarbon plant at Hønefoss. Depreciation will start once the Hønefoss plant is starting production. The technical and system solutions know-how developed in the R&D project was acquired from Vow ASA with effect from 1 April 2021.

In 2022, the company implemented an ERP system. ERP depreciation started in H2 2023.

30.06.2024

(Amounts in 1000 NOK)

	Proof of Concept	Factory module	Computer software
Cost:			
At 1 January 2024	1 486	2 922	3 462
Additions	4 190	128	617
At 30 June 2024	5 676	3 050	4 078

Depreciation and impairment:

At 1 January 2024	0	0	(431)
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Depreciation this year	0	0	(291)
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At 30 June 2024	0	0	(722)
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Carrying amount at 30 June

2024	5 676	3 050	3 356
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Useful life	10 years	10 years	7 years
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Depreciation method	Linear	Linear	Linear
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30.06.2023

(Amounts in 1000 NOK)

	Proof of Concept	Factory module	Computer software
Cost:			
At 1 January 2023	743	969	3 462
Additions	743	1 953	617

At 30 June 2023	1 486	2 922	4 078
Depreciation and impairment:			
At 1 January 2023	0	0	0
Depreciation this year	0	0	0
At 30 June 2023	0	0	0
Carrying amount at 30 June 2023			
	1 486	2 922	4 078
Useful life	10 years	10 years	7 years
Depreciation method	Linear	Linear	Linear

31.12.2023*(Amounts in 1000 NOK)*

	Proof of Concept	Factory module	Computer software
Cost:			
At 1 January 2023	743	969	3 462
Additions	2 090	2 225	617
At 31 December 2023	2 833	3 194	4 078
Depreciation and impairment:			
At 1 January 2023	0	0	0
Depreciation this year	0	0	(431)
At 31 December 2023	0	0	(431)
Carrying amount at 31 December 2023			
	2 833	3 194	3 647
Useful life	10 years	10 years	7 years
Depreciation method	Linear	Linear	Linear

NOTE 6 ASSETS UNDER CONSTRUCTION

Vow Green Metals is currently building its first biocarbon plant at Hønefoss, Norway.

30.06.2024*(Amounts in 1000 NOK)*

	Assets under construction
Cost:	
At 1 January 2024	126 153
Additions	41 031
Enova Grant	0
At 30 June 2024	167 184

Carrying amount at 30 June 2024	167 184
----------------------------------------	----------------

30.06.2023*(Amounts in 1000 NOK)***Assets under construction****Cost:**

At 1 January 2023	82 406
Additions	21 868
Enova Grant	(7 842)
At 30 June 2023	0

Carrying amount at 31 December 2023	96 433
--------------------------------------------	---------------

31.12.2023*(Amounts in 1000 NOK)***Assets under construction****Cost:**

At 1 January 2023	82 406
Additions	51 589
Enova Grant	(7 842)
At 31 December 2023	126 153

Carrying amount at 31 December 2023	126 153
--------------------------------------------	----------------

Government grants

Government grants are recognised when it is reasonably certain that the company will meet the conditions stipulated for the grants and that the grants will be received. Operating grants are recognised systematically during the grant period. Grants are deducted from the cost which the grant is meant to cover. Investment grants are capitalised and recognised systematically over the asset's useful life. Investment grants are recognised either as deferred income or as a deduction of the asset's carrying amount.

Enova has confirmed a government grant to support the company's project for industrial production of biocarbon for metallurgical industry at Follum. The grant is for 40 % of the total approved project cost but limited to MNOK 80.7. Grants will be paid in arrears based on agreed progress milestones in the project. 20% of the grant will be withheld until the final report has been submitted and approved by Enova. Grants of MNOK 38.5 has been received in June 2022 and grants of MNOK 7.8 has been received July 2023. This sums up to total grants of MNOK 46.3.

NOTE 7 ASSET LEASE

Right of use assets

30.06.2024

<i>(Amounts in 1000 NOK)</i>	Cars	Properties	Process equipment
At 1 January 2023	142	651	0
Additions	0	5 338	46 756
Depreciation	(71)	(366)	(445)
Carrying amount at 30 June 2024	71	5 624	46 311

Lease liabilities for cars are discounted with an interest rate of 3.3 per cent.

Lease liabilities for properties are discounted with an interest rate of 5.9 per cent.

In May 2024, Vow Green Metals AS secured leasing financing for the production equipment included in the "Early Production Line" at Hønefoss. The leasing financing is with SpareBank 1 SR-Bank.

Lease liabilities for process equipment are discounted with an interest rate of 8.1 per cent.

Lease liabilities recognised

<i>(Amounts in 1000 NOK)</i>	Cars	Properties	Process equipment
Current lease liabilities	35	1 035	5 227
Non-current lease liabilities	38	4 646	31 799
Total	73	5 681	37 026

Maturity analysis - contractual undiscounted cash flows

<i>(Amounts in 1000 NOK)</i>	Cars	Properties	Process equipment
Within 1 year	35	1 035	5 227
1-2 years	35	1 035	5 227
2-3 years	0	2 577	21 344
After 3 years			

Leases with a lease term less than 12 months are accounted for as short-term leases.

30.06.2023

<i>(Amounts in 1000 NOK)</i>	Cars	Properties	Process equipment
At 1 January 2023	284	183	0
Additions	0	12	0
Depreciation	(71)	(61)	0
Carrying amount at 30 June 2023	213	133	0

Lease liabilities for cars are discounted with an interest rate of 3.3 per cent.

Lease liabilities for properties are discounted with an interest rate of 5.9 per cent.

Lease liabilities recognised

<i>(Amounts in 1000 NOK)</i>	Cars	Properties	Process equipment
Current lease liabilities	133	135	0
Non-current lease liabilities	84	0	0
Total	216	135	0

Maturity analysis - contractual undiscounted cash flows

<i>(Amounts in 1000 NOK)</i>	Cars	Properties	Process equipment
Within 1 year	133	135	0
1-2 years	75	0	0
2-3 years	9	0	0
After 3 years	0	0	0

Leases with a lease term less than 12 months are accounted for as short-term leases.

31.12.2023

<i>(Amounts in 1000 NOK)</i>	Cars	Properties	Process equipment
At 1 January 2023	284	183	0
Additions	0	632	0
Depreciation	(142)	(163)	0
Carrying amount at 31 December 2023	142	651	0

Lease liabilities for cars are discounted with an interest rate of 3.3 per cent.

Lease liabilities for properties are discounted with an interest rate of 5.9 per cent.

Lease liabilities recognised

<i>(Amounts in 1000 NOK)</i>	Cars	Properties	Process equipment
Current lease liabilities	70	161	0
Non-current lease liabilities	76	499	0
Total	145	660	0

Maturity analysis - contractual undiscounted cash flows

<i>(Amounts in 1000 NOK)</i>	Cars	Properties	Process equipment
Within 1 year	70	161	0
1-2 years	70	67	0
2-3 years	6	67	0
After 3 years	0	364	0

Leases with a lease term less than 12 months are accounted for as short-term leases.

NOTE 8 CASH AND CASH EQUIVALENTS

<i>(Amounts in 1000 NOK)</i>	H1 2024	H1 2023	2023
Bank deposits	36 215	9 937	40 580
Restricted cash ¹⁾	1 098	363	743
Total cash and cash equivalents	37 312	10 300	41 323
Revolving Credit Facility	10 000	0	0
Total available cash, net of restricted	46 215	9 937	40 580

1) Restricted cash comprise of withheld taxes from employee salaries.

NOTE 9 SHARE CAPITAL AND SHAREHOLDER INFORMATION

	H1 2024	H1 2023	2023
Number of outstanding shares at 1 January	165 227 092	165 227 092	165 227 092
Share capital reduction	0	0	0
Share capital increase ¹⁾	37 573 805	0	0
Number of outstanding shares at 30 June / 31 December	202 800 897	165 227 092	165 227 092

¹⁾ The share capital increase relates to the NOK 100 million investment from Vardar AS and the NOK 20 million investment from Skagerak Energi AS.

The NOK 100 million investment from Vardar is split into a directed share capital increase of NOK 50 million in conversion of existing debt from Vardar in VGM AS and a NOK 50 million investment in VGM Operatør AS, subscribing for 25% of the shares. The conversion price was 1.863 per share. The option conversion agreement dated 27 November 2023 will not be executed.

The NOK 20 million investment from Skagerak Energi AS was executed at a price of NOK 1.863 per share (90 day volume weighted average price from 16 May 2024), representing a 11.2% premium to closing share price for the Company's shares on 21 May 2024.

Nominal value NOK per share at 30 June / 31 December	0,0065	0,0065	0,0065
Share capital NOK at 30 June / 31 December	1 318 206	1 073 976	1 073 976

Vow Green Metals AS has one class of shares with equal rights of all shares.

Largest shareholders of Vow Green Metals AS at 30.06.2024:

Shareholder	Number	% share
VOW ASA	50 173 890	24,7%
Ingerø Reiten Inv. Company AS ¹⁾	31 145 000	15,4%
Vardar AS	26 838 432	13,2%
Skagerak Energipartner AS	10 735 373	5,3%

Daler Inn Limited	9 878 418	4,9%
Badin Invest Limited	8 941 767	4,4%
Clearstream Banking S.A.	5 356 686	2,6%
Trethom AS	5 111 111	2,5%
Nordnet Livsforsikring AS	4 349 414	2,1%
Exproco Limited	3 613 380	1,8%
Fondsavanse AS	3 000 000	1,5%
Citibank, N.A.	2 190 153	1,1%
Shareholders holding less than 1% of the shares	41 467 273	20,4%
Total	202 800 897	100,0%

Number of shares owned by group management and board of directors at 30.06.2024:

Name	Number	% share
Ingerø Reiten Investment Company AS ¹⁾	31 145 000	15,4%
Kari Stine Tærum, Director	179 000	0,1%
Limamo Invest AS ²⁾	84 000	0,1%
Line Tønnessen, Director ²⁾	17 660	0,0%
Total	31 425 660	15,5%

¹⁾ Ingerø Reiten Investment Company AS is owned 60.98% by Narve Reiten, the Chairman of the Board of Vow Green Metals AS.

²⁾ Line Tønnessen, Board member of Vow Green Metals AS, owns 17.660 shares privately and is a close associate to Limamo Invest AS.

NOTE 10 LONG TERM BORROWINGS

Long term borrowings

(Amounts in 1000 NOK)

	H1 2024	H1 2023	2023
Vardar AS	0	0	50 000
Scanship AS	3 500	0	0
Total long term borrowings	3 500	0	50 000

In November 2023, Vow Green Metals secured a long-term loan from Vardar AS of NOK 50 million. In May 2024, Vardar AS converted the NOK 50 million loan. The conversion price was NOK 1.863 per share, the same as for Skagerak Energi AS' equity investment.

NOTE 11 RELATED PARTIES

a) Balance with related parties:

(Amounts in 1000 NOK)

		1H 2024	1H 2023	2023
Liabilities				
Vow ASA	Trade creditors	0	43	0
Reiten & Co AS	Trade creditors	2 000	0	0
Scanship AS	Trade creditors	606	1 163	1 211

Scanship AS	Current borrowings from associates	969	969	20 568
Total payables to associates		1 574	2 132	21 779

b) Purchases:

Vow ASA will deliver process equipment and engineering support to Vow Green Metals' biocarbon plant at Hønefoss in Norway. Please see Note 11.

Other transactions with related parties is related to a service agreement entered into with Scanship AS, which is the subsidiary of its largest shareholder, Vow ASA. The service comprise accounting, IT and administration services.

c) Overview of subsidiaries:

The following subsidiary are included in the consolidated financial statements:

Company	Date of acquisition/incorporation	Country of incorporation
Vow Green Metals Follum AS	31.05.2022	Lysaker, Norway
VGM Operatør AS	23.06.2023	Lysaker, Norway

NOTE 12 PUBLIC DUTIES PAYABLE AND OTHER CURRENT LIABILITIES

<i>(Amounts in 1000 NOK)</i>	1H 2024	1H 2023	2023
Public duties payable			
Employee withholding tax	1 098	363	743
Social security tax	652	346	723
Total public duties payable	1 749	709	1 466
Other current liabilities			
Accrued holiday pay	797	415	1 272
Other accrued expenses	(34)	754	390
Other current liabilities	764	1 169	1 662

NOTE 13 SUBSEQUENT EVENTS

Loan agreement with DNB, 50 percent guaranteed by Eksfin, of NOK 344 million was signed in July.

In August 2024 VGM Operatør Holding AS was established as a subsidiary of Vow Green Metals AS. Through the transfer of shares VGM Operatør Holding AS owns 100 % of VGM Operatør AS, and its shares owned 75% of Vow Green Metals AS and 25% by Vardar AS.

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