

SaltX Technology Holding AB (publ)

INTERIM REPORT QUARTER 3 2021

This is information that SaltX Technology is required to disclose under the EU Market Abuse Regulation.

The information was submitted for publication on November 4, 2021, at 08:00 am.



**SALTX CONTRIBUTES
TO THE TRANSITION**

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INTERIM REPORT QUARTER 3 2021

FINANCIAL EVENTS

Third quarter

- ◆ Net sales amounted to MSEK 0.1 (0.0)
- ◆ Operating profit/loss (EBIT) totaled MSEK -8.0 (-8.0)
- ◆ Cash flow from operating activities amounted to MSEK -3.7 (-6.6)
- ◆ Earnings per share before and after dilution amounted to SEK -0.05 (-0.11)

Year to date January– September

- ◆ Net sales amounted to MSEK 0.2 (0.1)
- ◆ Operating profit/loss (EBIT) totaled MSEK -24.0 (-25.3)
- ◆ Cash flow from operating activities amounted to MSEK -21.8 (-25,8)
- ◆ Earnings per share before and after dilution amounted to SEK -0.24 (-0.32)

SIGNIFICANT EVENTS

Third quarter

- ◆ SaltX in cooperation agreement with ABB regarding control systems

DURING THE SUMMER AND AUTUMN, ONE HALF OF THE SYSTEM WAS COMMISSIONED (DISCHARGING), AND THE OTHER HALF OF THE PLANT (CHARGING) IS NOW IN THE PROCESS OF BEING COMMISSIONED. IN THE NEXT STEP, TESTING PROGRAMS WILL BE CARRIED OUT.

READ MORE IN THE REPORT FROM THE TEST FACILITY IN STOCKHOLM ON PAGE 8

KEY FIGURES

Group, TSEK	Q 3 2021	Q 3 2020	YTD Sep 2021	YTD Sep 2020	FY 2020
Net sales	103	5	164	94	94
Operating profit/loss (EBIT)	-7,999	-7,964	-24,043	-25,291	-33,392
Earnings per share before and after dilution	-0.05	-0.11	-0.24	-0.32	-0.41
Equity	127,761	104,052	127,761	104,052	95,434
Cash flow from operating activities	-3,658	-6,584	-21,753	-25,758	-32,508
Equity ratio (equity/balance sheet total)	76%	73%	76%	73%	70%

THE CEO'S ADDRESS

Environmental issues and the transition of the energy industry are currently dominating industry and power company news flows. The need for different energy storage facilities is escalating and it is becoming increasingly clear that they, partnered with fossil-free energy sources, are becoming the “new standard”.

If we are to achieve the challenging climate goals we are facing in the world, it is important that we work to help each other in every conceivable way.

We are now focusing on completing the pilot plant in Stockholm by the end of the year. The plant is important for ensuring parameters and verifying the interaction between nanocoated salt and the reactors. Together with Sumitomo SHI FW in 2020, we drew and designed a discharge reactor based on fluidization technology. Between October 2020 and the summer of 2021, we manufactured and installed the reactor and other necessary peripheral equipment. The discharge reactor is now ready and is being tested according to our program.

CHARGING REACTOR NOW IN PLACE

The charging reactor from Calix Ltd recently

arrived at the plant, was assembled, and will soon be put into operation. This reactor technology is based on material falling through a high and extremely hot pipe. This type of reactor solution offers technological and large-scale validation and is an important milestone in our company's development. We are using our expertise to construct the technology that will be the foundation of and reference for large future installations at megawatt level. We look forward to performing test runs once the facility is completed.

IMPORTANT POSSIBILITIES FOR MINING AND STEEL INDUSTRY

We are in the process of doing preliminary studies for our next test facility, this time in the city of Luleå, an important hub for the Swedish mining and steel industry, which is undergoing major transformation. This preliminary study is important for our

“THE NEED FOR DIFFERENT ENERGY STORAGE FACILITIES IS INCREASING AND IT IS BECOMING INCREASINGLY CLEAR THAT ENERGY STORAGE FACILITIES ARE BECOMING THE ‘NEW STANDARD’.

plan to use excess heat generated during steel production to charge our nanocoated salt. Due to the importance and difficulty of this feasibility study, we have initiated a strategic partnership with Swerim, an industry-owned research organization. The companies LuleKraft and Luleå Energi also see the significant saving opportunities SaltX's energy storage facility offers them by helping to cut down oil consumption in the long term. Once the structured feasibility study is completed, we will decide in consultation with Swerim on the best way forward.

INTEREST IN CHINA GROWS

The need for energy storage is global and large markets are facing major changes. In particular, China is facing the major challenge of phasing out coal and replacing it with fossil-free energy sources. Together with Shuangliang, we are currently discussing different forms of collaboration for identifying a test facility at a customer's premises. The test facility that Shuangliang has

designed and is building, is still being prepared for trials and test runs.

SEVERAL IMPORTANT PARTNERSHIPS

If we are to achieve the challenging climate goals we are facing in the world, it is important that we work to help each other in every conceivable way. Our partnerships with Calix (charging reactor), Sumitomo SHI FW (discharge reactor) and ABB (control system) are part of the work to transform to a fossil-free society. It is important to be able to control and monitor all input parameters in this process to maximize efficiency, etc. Collaborating with ABB gives us the best possible quality-assured solution. I can happily confirm that our collaboration with these partners is now more frequent and far-reaching. In addition to these partners, we have ongoing discussions with a number of important and interesting new partners who will be able to make positive contributions.

THE WIN IN HELSINKI OPENS DOORS

Local energy companies, both in Sweden and abroad, have major challenges in reducing their environmental impact and choosing energy-efficient solutions for the future. An important aspect is that customers often



Carl-Johan Linér, CEO

"I CAN HAPPILY CONFIRM THAT OUR COLLABORATION WITH THESE PARTNERS IS NOW MORE FREQUENT AND FAR-REACHING.

want to use or retain existing infrastructure in the transition, which our solution makes possible. After our participation in the Helsinki Energy Challenge (read more in our previous quarterly report), where we came out one of the winners, we and new and potential customers learned of the opportunities offered by creating sustainable cities through energy storage facilities while maintaining and utilizing existing infrastructure. We use what we learned in our daily discussions with new partners and potential customers.

We are delighted with the increasing interest and commitment in en-

ergy storage as well as in our technology, which is natural given the energy transition that must occur in society. We will continue to focus primarily on "Power to Heat" (PtH) and "Heat to Heat" (HtH) applications with the ambition of gradually increasing energy storage capacity for each new plant we build.

Thank you for your time and the confidence you show in SaltX's development of a stable, technical and sustainable solution that will contribute to making the very important transition to fossil-free energy use.

Carl-Johan Linér CEO
Stockholm,
November 2021

SALT X OPERATIONS

The SaltX business concept is to develop and offer sustainable technology that will benefit customers, the climate and society. SaltX is currently developing a large-scale energy storage facility that uses a patented nanocoated salt material and is cooperating with various types of partners who promote technology, material, and application development.

The energy transition with an increased proportion of weather-dependent power generation requires large-scale energy storage to meet requirements on continuous energy supply. SaltX's innovation, built using nanocoated salt material, is a circular thermo-chemical storage solution that provides energy when needed to various energy players and industrial customers.

SALT X THERMO-CHEMICAL ENERGY STORAGE: ENERSTORE

SaltX systems are based on scalable industrial components and technology that have been used in the energy, process, and chemical industries for many decades. SaltX has adjusted and optimized this technology and uses it in a new fundamental way in conjunction with important innovations – such as nanocoated salt material. By using proven technology, the process of

commercialization is easier and less risky.

SALT X ENERSTORE IN BRIEF

The energy is stored by adding high-temperature heat, approx. 500°C. In simple terms, the salt is dried, and as the salt is dry, it contains a stored potential energy. To release the energy, water vapor is added to the salt, a strong chemical reaction occurs, and all the energy used to dry the salt returns in the form of 450-degree steam. The salt can be loaded with heat, electricity and gas depending on the area of application. The energy can be stored for hours, days or weeks – and then used when needed.

THREE AREAS OF APPLICATION

The SaltX energy storage solution, EnerStore, is suitable for three different areas of application:

HEAT TO HEAT

Recharge with heat and get

THE ENERGY CAN BE STORED FOR HOURS, DAYS OR WEEKS — AND THEN USED WHEN NEEDED.

heat back to the industry at the right time. Industries with large emissions of waste heat, for example, can optimize their processes by charging energy storage with this waste heat. SaltX nanocoated salt is also easy to move geographically, which enables the discharge of surplus energy elsewhere, such as in cities as a complement to biofuel.

POWER TO STEAM

Cities and industries that require high-temperature steam can store electricity and then generate steam for the district heating network or industry. This enables customers who place high value on a reliable supply of energy to implement and make wider use of solar and wind power.

POWER TO POWER

SaltX thermo-chemical energy storage can also be used and acts as a large-scale electric battery. It is charged with a heat pump and generates electricity from stored heat via a heat engine. Among other things, this type of large electrical energy storage facility solves output and

capacity challenges for grid owners, electricity companies, cities, and countries.

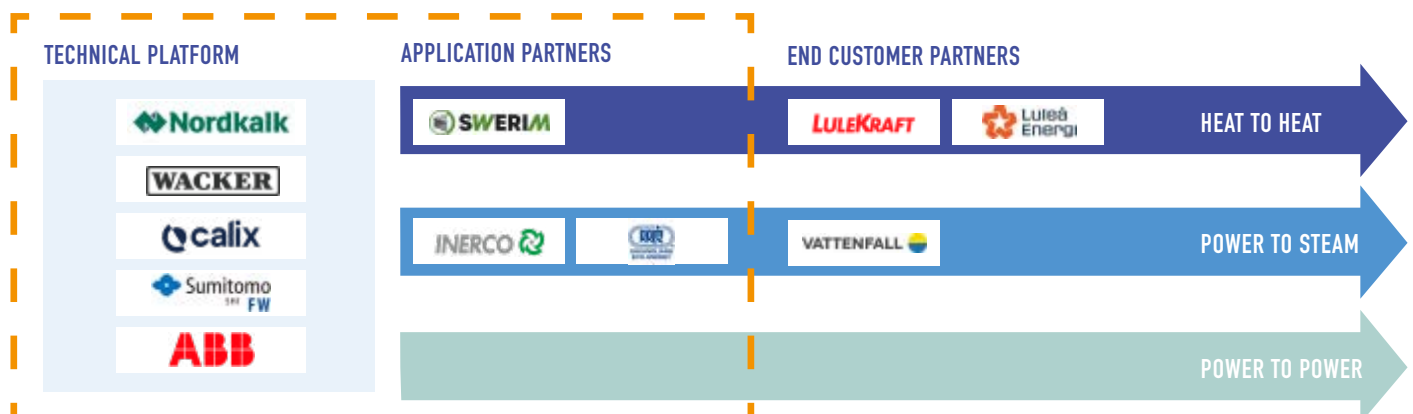
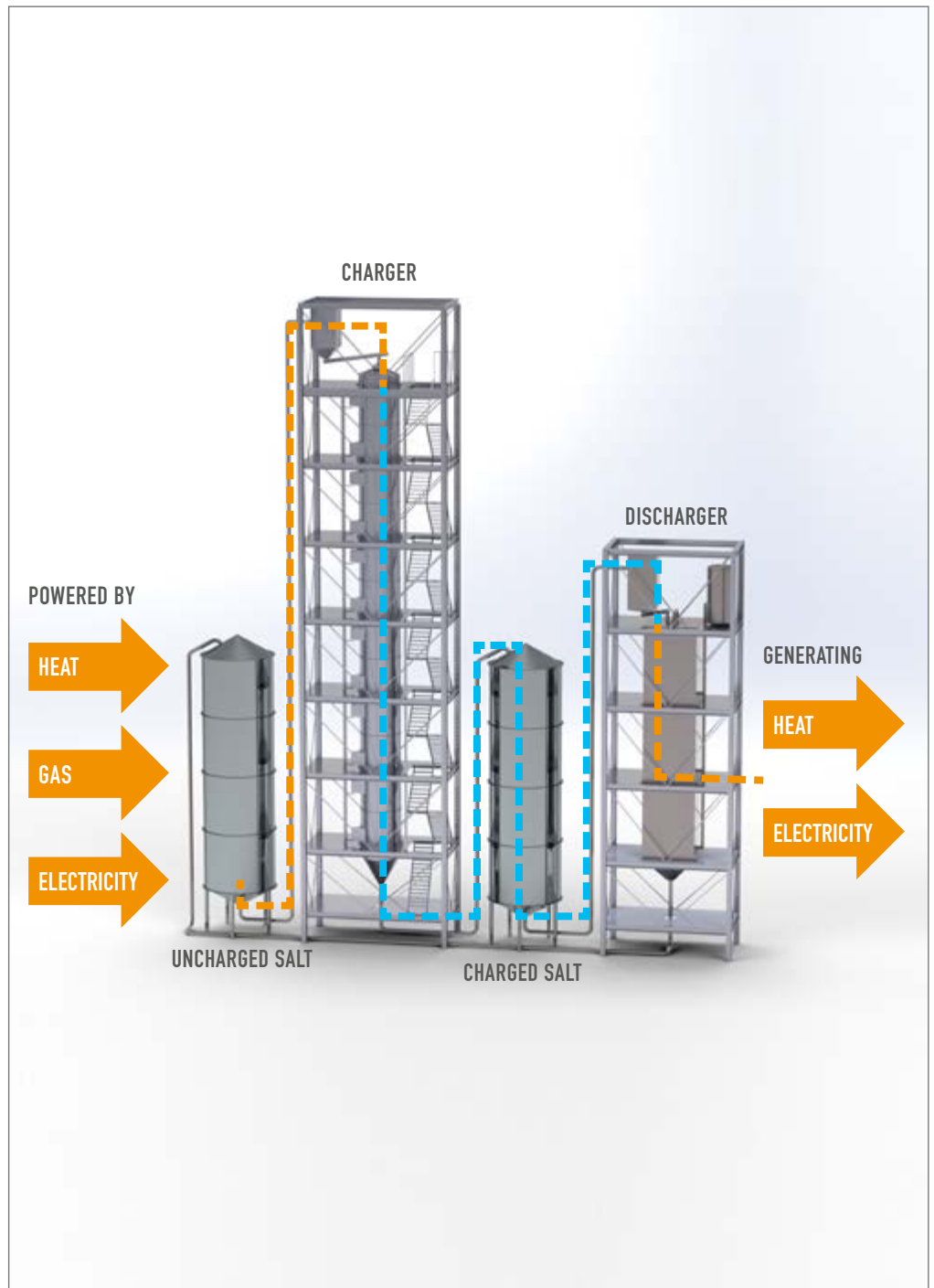
SALT X PARTNERS & ECOSYSTEM

SaltX collaborates with partners in the development of technology, materials, and applications. Depending on the market and end use, these partners may differ, but mainly have four different functions. They are salt suppliers that prepare and process nanocoated salt, OEMs (Original Equipment Manufacturer) that manufacture key components, EPCs (Engineer, Procure, Construct) that install energy storage systems, and finally, end customers.

SALT X TODAY

The next step in the development into a commercial product is to build additional test facilities, pilots, and pre-commercial facilities to ensure the technology reaches the market. SaltX strives to become a major player in terms of green and sustainable technological development.

SALT X STORES THERMAL ENERGY



REPORT FROM THE STOCKHOLM PILOT

SaltX's new pilot plant shows that functioning renewable energy storage is within reach

Not a day passes without news feeds containing environmental reports or news about the negative state of our planet. We humans have become dependent on fossil fuels that leave harmful emissions behind. These emissions have resulted in extreme weather, global warming, and low water levels. There is a tug-of-war between the environment and industry that does not need to exist. Many new initiatives and proposals for solutions

are also born from the critical situation in which our climate is in. These will help get the environment and industry to work together and switch to renewable energy.

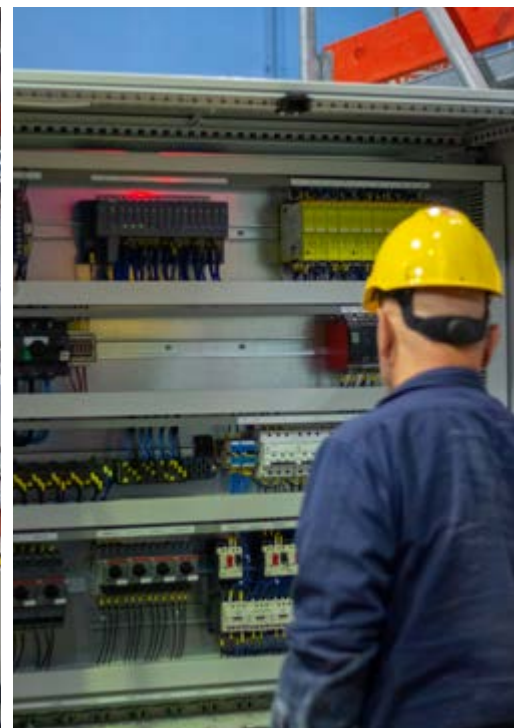
SALT X MAKES THE TRANSITION COST EFFICIENT

SaltX is contributing to the transition by developing a technology for energy storage. Because the process is independent of time, excess renewable energy can be stored and then be used when need-

THIS SCALABLE SOLUTION MAXIMIZES THE USE OF RENEWABLES AND REDUCES THE COST OF THE ENTIRE ENERGY TRANSITION.

ed. This scalable solution maximizes the use of renewables and reduces the cost of the entire energy transition.

In 2019 SaltX carried out a pilot project in Berlin where it was proven that their technology could be used to store energy from renewable sources. A new pilot plant is now being built in Stockholm with a new, optimized technology for charging and discharging salt energy. This will enable it to be scaled up to larger megawatt-sized plants and then to store energy for cities or indus-



tries. The end of installation is in sight after about a year of design, development, and assembly.

REUSE IN LARGE SCALE

The new pilot plant combines well-utilized concrete floors and 20-meter shafts (so deep that it is dizzying to stand at the railing and look straight down) with a reactor that is in the SaltX bright blue and other shimmering equipment that can charge salt using renewable energy. Also important to the transition is being capable of taking advantage of already existing infrastructure. Therefore, the large-scale Stockholm plant is being built on a site previously used for burning oil for district heating. SaltX has thus succeeded in reusing some of the equipment that was available from the previous business, such as using pipes that previously transported oil to transport nanocoated salt.

During the summer and autumn, one half of the system was commissioned (discharging), and the other half of the plant (charging) is now in the process of being commissioned. In the next step, testing programs will be carried out.

PARTNERSHIP STRENGTHENS

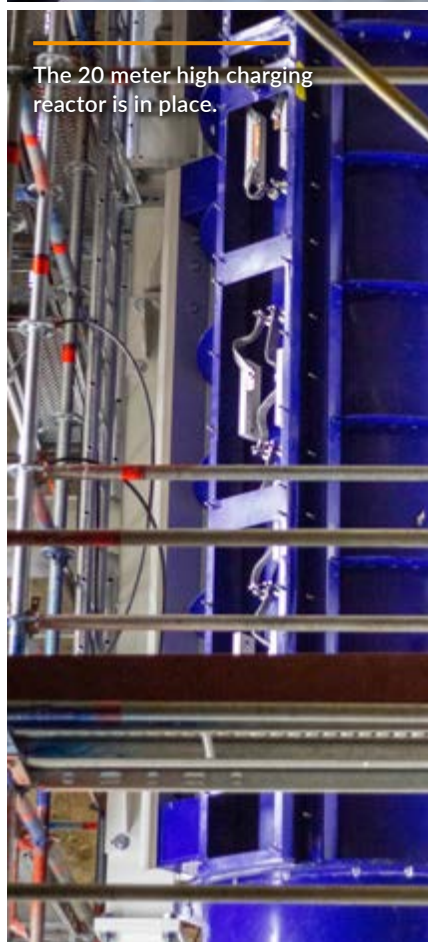
Enabling the discharge process, global technology provider Sumitomo SHI FW is an important partner. This and the sev-

eral subsupplier collaborations have resulted in the discharge processor now being in place. The Australian company Calix Ltd is also an important partner. Together with SaltX, they have developed a charging reactor to optimize the energy storage solution using scalable technology.

SAVED ENERGY FOR WHEN IT IS NEEDED

When this method is

complete, we will start to see that bulk trucks on the roads are carrying loaded salt rather than coal and oil. The SaltX technology makes it possible to store, transport and use renewable energy in other locations than where it was produced. SaltX has shown and will continue to show that the transition from fossil fuels is not only possible, but within reach.



The 20 meter high charging reactor is in place.



[SEE THE INTERVIEW WITH CARL-JOHAN LINÉR HERE](#)

SIGNIFICANT EVENTS



ABB is a world leader in systems for automation and process control.

...IN THE THIRD QUARTER

SALT X IN COOPERATION AGREEMENT WITH ABB STRENGTHENS THE TECHNICAL PLATFORM WITH SYSTEM FOR AUTOMATION AND CONTROL

SaltX Technology has signed a letter of intent with ABB regarding cooperation in systems for automation and control processes to strengthen the technical platform of EnerStore. The companies will jointly ensure a stable and scalable control system. ABB has a long and solid experience in complex control systems and will be able to contribute to optimizing and securing the control system in both the short and long term for the energy storage system of SaltX.

FINANCIAL OVERVIEW

JULY — SEPTEMBER QUARTER 3 2021

REVENUE, EXPENSES AND EARNINGS

Net sales

Net sales for the quarter amounted to TSEK 103 (5). The revenue is for the first part of a project for a pre-study.

Capitalized expenditure for development work

Balanced development expenses amounted to TSEK 7,779 (—) in the quarter and relate to the development and construction of a pilot with new reactor technology based on fluidization.

Other income

Other income in the quarter totaled TSEK 7 (1).

Expenses

Expenses during the quarter amounted to TSEK 15,888 (7,970), broken down as other external expenses TSEK 10,215 (2,629), personnel costs TSEK 4,113 (3,800), and depreciation of fixed assets TSEK 1,560 (1,541). The increase in external costs is attributable to increased project costs for the above-mentioned pilot plant for the new reactor technology.

Operating profit/loss (EBIT)

Operating profit/loss was TSEK -7,999 (-7,964).

Financial items

Profit/loss from financial items amounted to TSEK 2,667 (-1,403) and consisted of interest on liabilities to the Swedish Energy Agency and Almi Företagspartner, as well as on leasing liabilities. The interest rate on these liabilities is around 6 percent. Changes in the fair value of the shares in Central Development Holdings Ltd are also included. This was positive in the quarter at TSEK 3,112 (-901).

Profit/loss before tax

Profit/loss before tax was TSEK -5,332 (-9,367).

Earnings per share before and after dilution amounted to SEK -0.05 (-0.11).

CASH FLOW, INVESTMENTS AND FINANCIAL POSITION

Cash flow and liquidity

Cash flow from operating activities during the quarter was TSEK -3,658 (-6,584).

Group cash equivalents at the end of the quarter amounted to TSEK 67,448 (54,701).

Long-term liabilities

Long-term liabilities amounted to TSEK 27,893 (30,696)

and consisted of loans from the Swedish Energy Agency of TSEK 24,386 and from Almi Företagspartner of TSEK 2,100, as well as long-term leasing liabilities of TSEK 1,407.

The loan from Almi is amortized monthly over a period of 5 years.

Investments

During the quarter, investments were made that impacted cash flow in the amount of TSEK -7,349 (-120). These consisted of capitalized expenditure for the development of a pilot plant with a fluidized bed reactor. Capitalized expenditures have been reduced in the quarter with the grant from Swedish Energy Agency with TSEK 767. Cash flow also includes ongoing investments in new patents, including patent applications in additional markets.

Equity

At the end of the quarter equity amounted to TSEK 127,761 (104,052) or SEK 1.24 (1.18) per share and has increased through an issue of shares in May this year. The equity ratio on the same date was 76 (73) percent.

DEVELOPMENT PER QUARTER

TSEK	Q 3 2020	Q 4 2020	Q 1 2021	Q 2 2021	Q 3 2021
Net sales	5	—	9	52	103
Operating profit/loss (EBIT)	-7,964	-8,101	-8,121	-7,923	-7,999
Cash flow from operating activities	-6,584	-6,750	-7,778	-10,317	-3,658
Basic earnings per share, SEK	-0.11	-0.10	-0.11	-0.08	-0.05

JANUARY — SEPTEMBER 2021

REVENUE, EXPENSES AND EARNINGS

Net sales

Net sales for the period amounted to TSEK 164 (94).

Capitalized expenditure for development work

Balanced development expenses amounted to TSEK 16,145 (—) in the period and relate to the development and construction of a pilot with new reactor technology based on fluidization.

Other income

Other income in the period totaled TSEK 1,180 (826).

Expenses

Expenses during the period amounted to TSEK 41,532 (26,211), broken down as other external expenses TSEK 22,871 (9,218), personnel costs TSEK 14,022 (12,395), and depreciation of fixed assets TSEK 4,639 (4,598). The increase in external costs is attributable to increased project costs for the above-mentioned pilot plant for the new reactor technology.

Operating profit/loss (EBIT)

Operating profit/loss was TSEK -24,043 (-25,291).

Financial items

Profit/loss from financial items amounted to TSEK 1,152 (-2,266) and consisted of interest on liabilities to the Swedish Energy Agency and Almi Företagspartner, as well as on leasing liabilities. The interest rate on these liabilities is around 6 percent. Changes in the fair value of the shares in Central Development Holdings Ltd are also included. This was positive in the period at TSEK 2,575 (-735).

Profit/loss before tax

Profit/loss before tax was TSEK -22,891 (-27,557).

Earnings per share before and after dilution amounted to SEK -0.24 (-0.32).

CASH FLOW AND INVESTMENTS

Cash flow and liquidity

Cash flow from operating activities during the period was TSEK -21,753 (-25,758).

Investments

During the period, investments

were made that impacted cash flow in the amount of TSEK -13,482 (-585). These consisted of capitalized expenditure for the development of a pilot plant with a fluidized bed reactor. Capitalized expenditures have been reduced with the grant from Swedish Energy Agency with TSEK 3,579. Cash flow also included ongoing investments in new patents, including patent applications in additional markets.

PARENT COMPANY

The operations of the parent company, SaltX Technology Holding AB (publ), include Group-wide services, management of the subsidiary SaltX Technology AB, and maintenance of the company's listing on Nasdaq First North Premier Growth Market.

Profit/loss before tax for the period January – September was TSEK -4,042 (-5,791). On September 30, the parent company held available liquid assets amounting to TSEK 60,964 (53,202).

SHARE CAPITAL

Share capital at the end of the period amounted to SEK

CHANGE OF SHARE CAPITAL DURING YEAR 2021

	Change in share capital	Accumulated share capital	Change in no. of shares	Accumulated no. of shares
Opening balance 2021	—	7,034,958.72	—	87,936,984
Directed issue	1,200,000.00	8,234,958.72	15,000,000	102,936,984

8,234,958.72 consisting of 102,936,984 shares at a nominal value of SEK 0.08. The share capital increased in May by SEK 1.2 million and the number of shares by 15 million shares through a directed issue.

SHARES

Shares in SaltX are listed on Nasdaq First North Premier Growth Market.

Earnings per share

Earnings per share for the period amounted to SEK -0.24 (-0.32) based on an average of 95,436,984 (87,084,678) shares, before dilution. When calculating the number of shares after full dilution, the additional outstanding shares from warrant programs issued were considered. However, this did not have any effect since the result was negative.

Significant risks and uncertainties

All business operations and share ownership are associated with risk. Risks that are managed well can entail opportunities and the creation of value, if not, they can lead to damage and losses. The risks can be divided into market-related, operations-related, and financial risks.

See also the company's Annual Report on its website.

Accounting policies

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) such as they have been adopted by the EU, RFR 1 Sup-

plementary Accounting Rules for Groups, and the Swedish Annual Accounts Act. The Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting.

The parent company's financial statements have been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. The application of RFR 2 means that, in the interim report for the legal entity, the parent company applies all the IFRS, and statements adopted by the EU as far as this is possible within the framework of the Swedish Annual Accounts Act, the Swedish Pension Obligations Vesting Act and in consideration of the relationship between accounting and taxation. The Interim Report for the parent company has been prepared in accordance with the Swedish Annual Accounts Act.

The accounting policies applied are consistent with those described in the SaltX Group 2020 Annual Report.

CONSOLIDATED STATEMENT OF COMPREHENSIVE RESULT—SUMMARY

TSEK	Q 3 2021	Q 3 2020	YTD Sep 2021	YTD Sep 2020	FY 2020
Net sales	103	5	164	94	94
Work performed by the Company for its own use and capitalized	7,779	—	16,145	—	2,863
Other operating income	7	1	1,180	826	884
TOTAL	7,889	6	17,489	920	3,841
Other external expenses	-10,215	-2,629	-22,871	-9,218	-14,550
Personnel expenses	-4,113	-3,800	-14,022	-12,395	-16,330
Depreciation of fixed assets	-1,560	-1,541	-4,639	-4,598	-6,353
TOTAL OPERATING EXPENSES	-15,888	-7,970	-41,532	-26,211	-37,233
OPERATING PROFIT/LOSS	-7,999	-7,964	-24,043	-25,291	-33,392
Financial expenses	2,667	-1,403	1,152	-2,266	-2,783
FINANCIAL ITEMS – NET	2,667	-1,403	1,152	-2,266	-2,783
PROFIT/LOSS BEFORE INCOME TAX	-5,332	-9,367	-22,891	-27,557	-36,175
Income tax expense	—	—	—	—	—
PROFIT/LOSS FOR THE PERIOD	-5,332	-9,367	-22,891	-27,557	-36,175
Earnings per share calculated on earnings attributable to parent company shareholders, SEK					
Basic earnings per share	-0.05	-0.11	-0.24	-0.32	-0.41
Earnings per share after dilution	-0.05	-0.11	-0.24	-0.32	-0.41

No items are reported in other comprehensive income in the Group, which is why the total comprehensive income corresponds to the result for the period. Profit for the period and total comprehensive income are attributable in full to the parent company's shareholders.

CONSOLIDATED BALANCE SHEET

— SUMMARY

TSEK	Sep 30, 2021	Sep 30, 2020	Dec 31, 2020
ASSETS			
Fixed assets			
Intangible assets			
Capitalized expenditure on development work	84,249	72,432	74,392
Patents and trademarks	1,720	1,521	1,338
	85 969	73,953	75,730
Tangible assets			
Equipment, tools, and installations	734	1,112	991
Access-rights assets	2,784	4,304	3,924
	3,518	5,416	4,915
Financial fixed assets			
Other long-term securities	7,930	5,382	5,355
	7,930	5,382	5,355
Total fixed assets	97,417	84,751	86,000
Current assets			
Advance payments to suppliers	156	—	639
Other current assets	2,119	2,217	2,024
Prepaid expenses and accrued income	1,288	1,548	1,309
Cash and cash equivalents	67,448	54,701	45,649
Total current assets	71,011	58,466	49,621
TOTAL ASSETS	168,428	143,217	135,621
EQUITY AND LIABILITIES			
Equity			
Share capital	8,235	7,035	7,035
Other contributed capital	719,731	665,713	665,713
Accumulated profit or loss including profit/loss for the year	-600,205	-568,696	-577,314
Total equity	127,761	104,052	95,434
Long-term liabilities			
Other liabilities	26,486	27,688	27,388
Leasing liabilities	1,407	3,008	2,617
Total long-term liabilities	27,893	30,696	30,005
Current liabilities			
Accounts payable	3,638	900	1,950
Leasing liabilities	1,601	1,511	1,533
Other liabilities	1,521	1,495	1,673
Accrued expensed and deferred income	6,014	4,563	5,026
Total current liabilities	12,774	8,469	10,182
TOTAL EQUITY AND LIABILITIES	168,428	143,217	135,621

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

TSEK	Attributable to Parent Company shareholders				Total equity
	Share capital	Rights issues under registration	Other contributed capital	Accumulated profit/loss incl. profit/loss for the year	
Opening balance Jan 1, 2020	5,808	1,228	665,851	-541,139	131,748
Net income/loss Jan-Sep 2020 equal to total comprehensive income	—	—	—	-27,557	-27,557
Total comprehensive income	—	—	—	-27,557	-27,557
Transactions with shareholders in their capacity as shareholders:					
Rights issues	1,227	-1,228	—	—	-1
Issue expenses	—	—	-138	—	-138
Closing balance Sep 30, 2020	7,035	—	665,713	-568,696	104,052
Opening balance Oct 1, 2020	7,035	—	665,713	-568,696	104,052
Net income/loss Oct-Dec 2020 equal to total comprehensive income	—	—	—	-8,618	-8,618
Total comprehensive income	—	—	—	-8,618	-8,618
Transactions with shareholders in their capacity as shareholders:					
Closing balance Dec 31, 2020	7,035	—	665,713	-577,314	95,434
Opening balance Jan 1, 2021	7,035	—	665,713	-577,314	95,434
Net income/loss Jan-Sep 2021 equal to total comprehensive income	—	—	—	-22,891	-22,891
Total comprehensive income	—	—	—	-22,891	-22,891
Transactions with shareholders in their capacity as shareholders:					
Share issues	1,200	—	58,800	—	60,000
Issue expenses	—	—	-4,782	—	-4,782
Closing balance Sep 30, 2021	8,235	—	719,731	-600,205	127,761

CONSOLIDATED CASH FLOW STATEMENT

TSEK	Q 3 2021	Q 3 2020	YTD Sep 2021	YTD Sep 2020	FY 2020
Cash flow from operating activities					
Profit/loss after financial items	-5,332	-9,367	-22,891	-27,557	-36,175
Adjustments for non-cash items etc.	-1,552	2,441	2,064	5,475	7,257
	-6,884	-6,926	-20,827	-22,082	-28,918
Increase/decrease in operating receivables	1,449	190	409	1,120	913
Increase/decrease in operating liabilities	1,777	152	-1,335	-4,796	-4,503
Cash flow from change of working capital	3,226	342	-926	-3,676	-3,590
Cash flow from operating activities	-3,658	-6,584	-21,753	-25,758	-32,508
Cash flow from investing activities					
Acquisition of intangible assets	-7,261	-120	-13,368	-555	-3,586
Acquisition of tangible assets	-88	—	-114	-30	-30
Cash flow from investing activities	-7,349	-120	-13,482	-585	-3,616
Cash flow from financing activities					
New capital issue, net of issue expenses	-23	—	55,218	-282	-282
Change in long term leasing liabilities	-423	-415	-1,263	-1,239	-1,656
Financing development from public funds	-2	—	3,079	—	1,146
Payback financing for development from European Union	—	—	—	-2,756	-2,756
Cash flow from financing activities	-448	-415	57,034	-4,277	-3,548
Cash flow for the period	-11,455	-7,119	21,799	-30,620	-39,672
Cash equivalents at beginning of period	78,903	61,820	45,649	85,321	85,321
Cash equivalents at end of period	67,448	54,701	67,448	54,701	45,649

NOTES

NOTE 1 SIGNIFICANT ESTIMATES AND ASSESSMENTS FOR ACCOUNTING PURPOSES

The estimates and assumptions that represent a significant risk of material adjustments in the carrying amounts of assets and liabilities are:

- ◆ **Earlier received from the Swedish Energy Agency**
Long-term liabilities consist largely of loans from the Swedish Energy Agency in the amount of TSEK 24,386. The loan is interest-bearing at approximately 6 per cent per year. A request for remission of most of the loan was sent to the Swedish Energy Agency on two occasions but was rejected. The company intends to send a request for a new review to the authority in December 2021.

- ◆ **Intangible assets**
The largest asset recogni-

zed in SaltX's balance sheet is capitalized development expenditure. This is attributable to the basic technology and the large-scale energy storage application, EnerStore. An impairment test of this asset is carried out based on an estimate and assessment of what the group's technology may lead to in the form of future revenue and cash flow. Important components when calculating these future values are volume growth, profit margin and discount rate. A significant change of important components in the calculation may mean that the balance sheet item needs to be adjusted. The cash flows that are discounted for impairment testing are taken from the company's budget and long-term forecast, assuming that sufficient financing can be secured to continue operations in the long term.

- ◆ **Development**
The Group assesses when the product or process is technically and commercially viable and whether the Group has sufficient resources to complete development and subsequently use or sell the intangible asset. If these conditions are met, an intangible asset is recognized in the balance sheet. The expenditures in conjunction with the construction of a new pilot plant with new reactor technology have been capitalized.
- ◆ **Research and promotional measures**
During the period, the Group focused on the application for large-scale energy storage, EnerStore. In addition to the pilot plant mentioned above, the activities have consisted of searching for a more efficient process for charging

REVENUE

	Q 3 2021	Q 3 2020	YTD Sep 2021	YTD Sep 2020	FY 2020
Revenue from agreements with customers	103	5	164	94	94
Other revenue	7	1	1,180	826	884
Total revenue	110	6	1,344	920	978

The Group has revenues as specified below:

	Q 3 2021	Q 3 2020	YTD Sep 2021	YTD Sep 2020	FY 2020
Product sale	0	5	61	44	44
Development work	—	—	—	50	50
Consultancy services (technology)	103	—	103	0	0
Total revenue from customers	103	5	164	94	94

and discharging energy from nanocoated salt. In addition, resources have been put into initial sales promotion measures in the form of work on and preparation of pre-commercial plants in conjunction with partners. These activities and efforts are research and sales promotion-oriented activities in nature and are expensed as they arise.

Estimates and assessments are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are considered reasonable under prevailing conditions.

NOTE 2 REVENUE

The Group has In the income statement reported amounts relating to revenue (see the table on the preceding page).

NOTE 3 FINANCIAL INSTRUMENTS

For the Group's borrowing from Almi Företagspartner, the carrying amount of the borrowing corresponds to its fair value, since the interest rate on this borrowing is at parity with current market interest rates. Regarding the loan from the Swedish Energy Agency, the request for a remission of the loan has been

submitted to the Agency on two occasions and has been rejected. The company intends to send a request for a new review to the authority in December 2021.

Regarding the fair value of short-term financial assets and liabilities, the fair value is estimated to correspond to the carrying amount since the discount effect is not material.

NOTE 4 TRANSACTIONS WITH AFFILIATED PARTIES

No transactions have been conducted with affiliated parties in the year, other than the agreed remuneration to the Board of Directors and management.

STOCK MARKET LISTED SHARES

	Sep 30, 2021	Sep 30, 2020	Dec 31, 2020
Central Development Holdings Ltd (previously Zhong Fa Zhan Holdings Ltd)	7,930	5,382	5,355

CHANGE IN FAIR VALUE OF SHARES

TSEK	Q 3 2021	Q 3 2020	YTD Sep 2021	YTD Sep 2020	FY 2020
Change in fair value of shares	3,112	-901	2,575	-735	-762

FAIR VALUE

	Sep 30, 2021		Sep 30, 2020		Dec 31, 2020	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
State Energy Agency	24,386	23,830	24,388	23,830	24,388	23,830

PARENT COMPANY INCOME STATEMENT

TSEK	YTD Sep 2021	YTD Sep 2020	FY 2020
Net revenue	1,800	1,800	2,400
Other operating revenue	34	—	9
NET REVENUE	1 834	1,800	2,409
Other external expenses	-1,932	-2,358	-2,988
Personnel expenses	-5,432	-5,049	-6,612
TOTAL OPERATING EXPENSES	-7,364	-7,407	-9,600
OPERATING RESULT	-5,530	-5,607	-7,191
Financial income	—	551	943
Financial expenses	1,488	-735	-762
FINANCIAL ITEMS – NET	1,488	-184	181
PROFIT BEFORE TAX	-4,042	-5,791	-7,010
Group contribution	—	—	-72,000
Income tax	—	—	—
PROFIT/LOSS FOR THE PERIOD	-4,042	-5,791	-79,010

PARENT COMPANY BALANCE SHEET

TSEK	Sep 30, 2021	Sep 30, 2020	31 dec 2020
ASSETS			
Financial assets			
Participations in subsidiaries	197,270	197,270	197,270
Other long-term securities	7,930	5,382	5,355
Total fixed assets	205,200	202,652	202,625
Current assets			
Inventory/Advance payments to suppliers	134	—	—
Current receivables			
Other receivables	368	289	174
Accounts receivable from Group companies	—	23,451	750
Prepaid expenses and accrued income	320	470	340
Cash and bank deposits	60,964	53,202	43,828
Total current assets	61,786	77,412	45,092
TOTAL ASSETS	266,986	280,064	247,717
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	8,235	7,035	7,035
	8,235	7,035	7,035
Non-restricted equity			
Share premium reserve	501,076	447,058	447,058
Retained earnings	-249,578	-170,568	-170,568
Profit/loss for the year	-4,042	-5,791	-79,010
	247,456	270,699	197,480
Total equity	255,691	277,734	204,515
Current liabilities			
Accounts payable	464	245	43
Accounts payables to Group companies	8,591	8,591	40,907
Other liabilities	120	115	290
Accrued expenses and deferred income	2,120	1,970	1,962
Total current liabilities	11,295	2,330	43,202
TOTAL EQUITY AND LIABILITIES	266,986	280,064	247,717

DECLARATION BY THE BOARD OF DIRECTORS AND THE CEO

The Board of Directors and CEO confirm that this Interim Report provides a true and fair view of the parent company and the Group's operations, financial position and results for the period concerned.

Stockholm, November 4, 2021
Board of Directors

Åke Sund
Chairman

Staffan Andersson
Board member

Tony Grimaldi
Board member

Hans Holmström
Board member

Erica Larson
Board member

Elin Lydahl
Board member

Carl-Johan Linér
CEO



Auditor's report

SaltX Technology Holding AB (publ), reg. no. 556917-6596

Introduction

We have reviewed the condensed interim financial information (interim report) of SaltX Technology Holding AB (publ) as of 30 September 2021 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, 4 November 2021

Öhrlings PricewaterhouseCoopers AB

Claes Sjödin
Authorized Public Accountant
Auditor in charge

Leonard Daun
Authorized Public Accountant

OTHER INFORMATION

OTHER INFORMATION

Year-End Report 2021

February 18, 2022

The 2021 Annual Report is expected to be published at the end of March 2022.

ADDRESS

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