



**KYOTO™**

# Kyoto Group | Solar Energy Cluster

September 29<sup>th</sup>, 2021

## TODAY'S SPEAKER



### **Christopher Kjølnér** CEO

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20 years' experience from energy sector from finance, strategy and business development, with positions in large and international corporations (General Electric, Lorentzen & Stemoco, Nordea, Skagerak Energi) and in start-ups such as Scandwind, as well as various leadership roles such as EVP, CEO, CFO and COO



# KEY EVENTS

## Operational

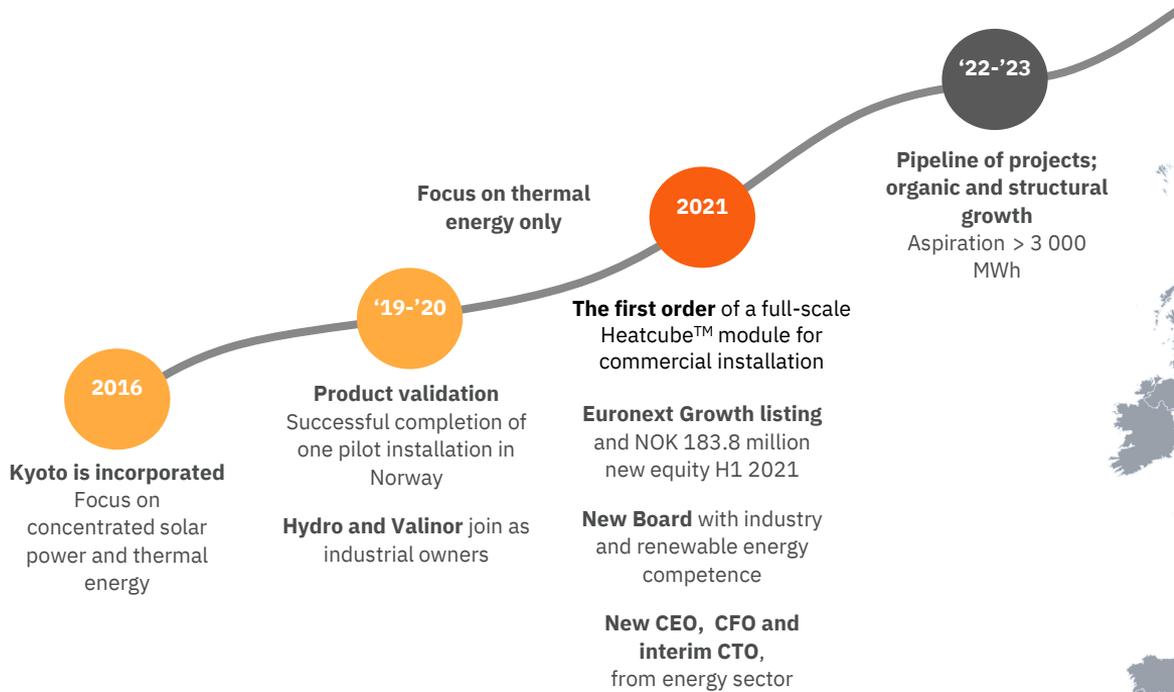
- First full-scale Heatcube™ thermal battery ordered for commercial installation as a demonstration unit
- Ongoing activities to broaden project pipeline with leads in the Nordic region
- New board established with extensive industry and renewable energy competence
- Appointed new CEO, CFO and interim CTO
- Scaling organization with 14 additional FTEs to execute on long-term growth strategy

## Financial

- Raised NOK 183.3 million of new equity in from four private placements in the first half of 2021
- Shares admitted to trading on Euronext Growth from 24 March
- End of period cash position of NOK 158.9 million

# FROM START-UP TO SCALE-UP

Kyoto today

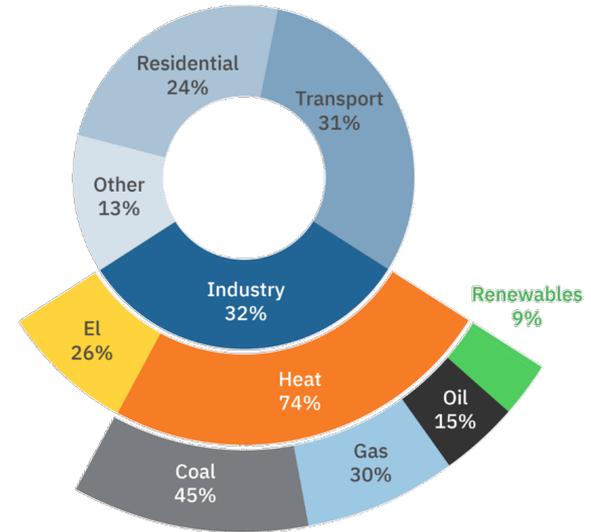


## Adoption of solar and wind requires flexibility to buy energy when it is cheap and store it for when it is needed

- ~50% of energy mix in Europe in 2030 is expected to be variable renewables<sup>1</sup>
- Increased supply and price volatility is expected as more variable renewable energy sources are connected to the grid
- All paths to achieving the EU climate targets require a more flexible energy system<sup>2</sup>

1) Ecologic Climact: Analysing the impact assessment on raising the EU 2030 climate target (September 2020)  
2) European Commission: Study on energy storage – Contribution to the security of the electricity supply in Europe (March 2020)

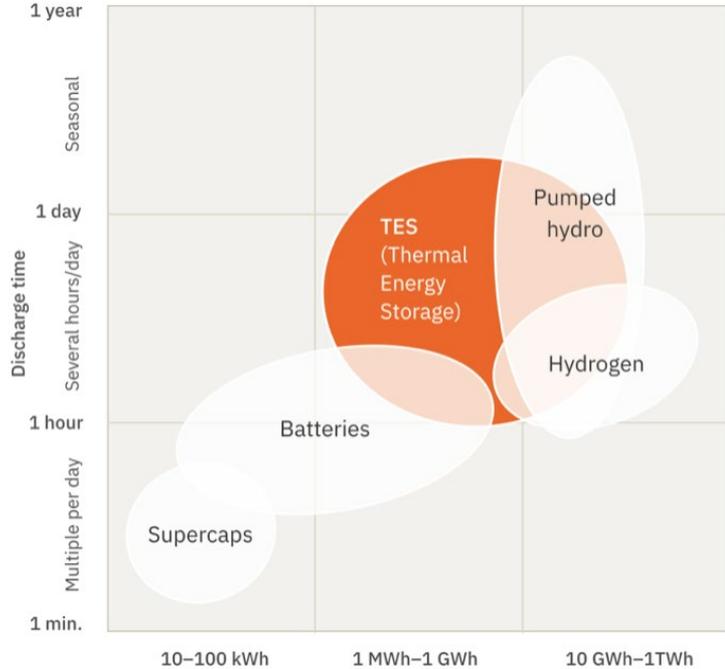
## Industries largely consume fossil fuel generated heat<sup>3</sup>



3) Total energy consumption 2014: 360 EJ, IEA & IRENA

# OPPORTUNITY TO CUT INDUSTRIAL CARBON EMISSIONS

Energy storage solutions is a key element in the energy transition



- Appropriate deployment of energy storage technologies is of primary importance for the transition towards an energy system that relies heavily on renewables
- Thermal Energy Storage (TES) solutions consumes thermal heat and peak load electricity, and offload energy as heat for direct industrial applications
- TES solutions have a discharge time of hours to days and can effectively serve heat demand from a wide range of industrial applications



 **Introducing HeatCube.**  
GWh Class Industrial Energy Storage

7 Ensure access to affordable, reliable, sustainable and modern energy for all  
9 Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

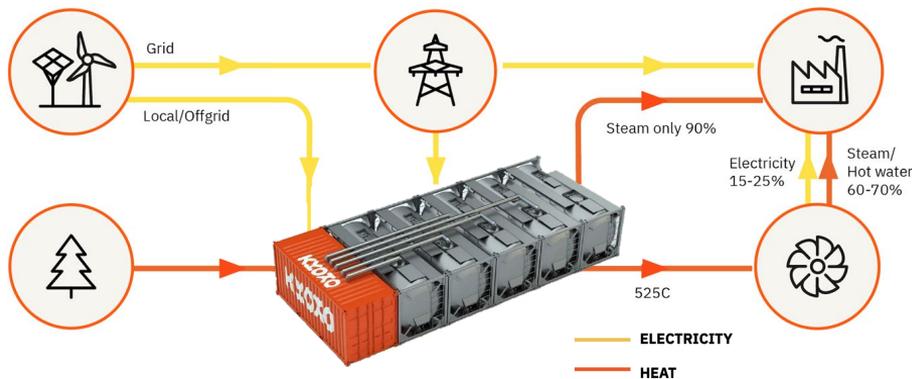
# HEATCUBE OPTIMISES INDUSTRIAL CONSUMPTION OF ENERGY

Delivered in modular 20-foot containers ready for on-site installations

## Input

- Utilising off-peak capacity and off-grid production

- Industrial heat  
- Waste and bio  
- Solar



## Output

- Thermal energy for industrial applications

- Combined heat and electricity through heat engine/turbine



Eco & Safe



Efficient



Modular



Container  
Transport



Rapid  
Installation



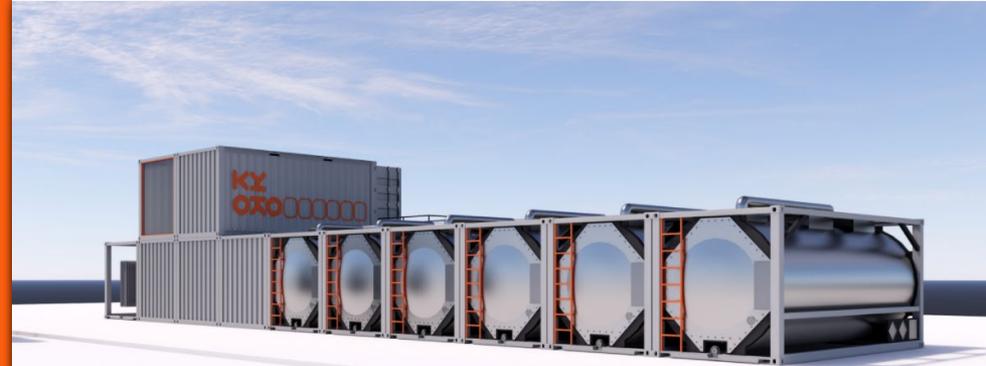
Cost  
Effective



Durable

# First thermal battery for commercial pilot to decarbonize industrial heat ordered

- Fossil fuel replacement and electrification
- Developed in collaboration with some of the world 's leading experts in molten salt systems
- Heatcube module expected to be integrated and operational early 2022
- Will operate under a commercial contract for sale of heat (Heat-as-a-Service)



Summary:

## On track for Heatcube thermal battery commercialisation

- Full focus on delivering the first Heatcube installation in Denmark with expected operations early next year
- Progressing leads for installations in the Nordic region and expanding pipeline
- Scaling organisation to execute on growth strategy





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**Q&A**



Appendix

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# MANAGEMENT TEAM



**Christopher  
Kjølnér**

CEO

Skagerak Energi  
GE Renewable



**Camilla  
Nilsson**

CFO

Yara  
Hydro



**Bjarke  
Buchberg**

Interim  
CTO

Siemens  
Gamesa



**Peter  
Iversen**

Interim  
Procurement  
Manager

Rambøll  
Maersk



**Tommy  
Blommen**

People &  
Projects

Assa Abloy  
Yara



**Gustavo Z.  
Holo**

Products  
& Sales

Fast  
Computas

# BOARD AND PARTNERS



**Eivind Reiten**  
*Chairman*

Several board positions,  
Ex CEO Hydro,  
former Minister & State Secretary



**Arne Erik Kristiansen**

Former Chairman, co-founder Kyoto, Partner Synergos & Advisor Asiju Invest



**Ivar Valstad**

Senior Advisor  
Corporate Development  
Norsk Hydro ASA



**Thorleif Enger**

Several board positions,  
Ex CEO Yara



**Hans Olav Kvalvaag**

SVP  
New Ventures Scatec Solar



**Pål Selboe Valseth**

Several board positions,  
CEO Valinor

# P&L

## OPERATING INCOME AND OPERATING EXPENSES

	H1 2021	H1 2020
Government grants	0	2,920,119
<b>Total operating income</b>	<b>0</b>	<b>2,920,119</b>
Personnel expenses	7,071,078	3,018,305
Other operating expenses	9,165,715	6,344,816
<b>Total operating expenses</b>	<b>16,236,793</b>	<b>9,363,122</b>
<b>Operating profit</b>	<b>-16,236,793</b>	<b>-6,443,002</b>
FINANCIAL INCOME AND EXPENSES		
Other interest income	40,586	0
Other financial income	30,113	20,358
Other interest expenses	4,866	35,433
Other financial expenses	9,944	7,476
<b>Net financial items</b>	<b>55,889</b>	<b>-22,550</b>
Operating result before tax	-16,180,905	-6,465,552
Tax on ordinary result	0	0
<b>Ordinary result after tax</b>	<b>-16,180,905</b>	<b>-6,465,552</b>
<b>Half-year result</b>	<b>-16,180,905</b>	<b>-6,465,552</b>

# Balance sheet

ASSETS	30.06.2021	30.06.2020
<b>FIXED ASSETS</b>		
INTANGIBLE ASSETS		
Research and development	10,522,880	4,249,409
Deferred tax assets	5,162,830	5,162,830
<b>Total intangible assets</b>	<b>15,685,711</b>	<b>9,412,239</b>
TANGIBLE ASSETS		
Equipment and other movables	85,216	305,981
<b>Total tangible assets</b>	<b>85,216</b>	<b>305,981</b>
FINANCIAL FIXED ASSETS		
Investments in shares	0	30,000
Other long-term receivables	3,792,177	464,493
<b>Total financial fixed assets</b>	<b>3,792,177</b>	<b>494,493</b>
<b>Total fixed assets</b>	<b>19,563,104</b>	<b>10,212,714</b>
<b>CURRENT ASSETS</b>		
DEBTORS		
Other short-term receivables	3,630,152	1,952,088
<b>Total receivables</b>	<b>3,630,152</b>	<b>1,952,088</b>
Cash and bank deposits	158,899,943	333,085
<b>Total current assets</b>	<b>162,530,096</b>	<b>2,285,173</b>
<b>Total assets</b>	<b>182,093,199</b>	<b>12,497,887</b>

EQUITY AND LIABILITIES	30.06.2021	30.06.2020
<b>EQUITY</b>		
PAID-UP EQUITY		
Share capital	252,617	89,126
Share premium reserve	163,817,956	3,890,853
Other paid-up equity	10,587,753	0
<b>Total paid-up equity</b>	<b>174,658,326</b>	<b>3,979,979</b>
<b>Total equity</b>	<b>174,658,326</b>	<b>3,979,979</b>
<b>LIABILITIES</b>		
OTHER LONG-TERM LIABILITIES		
Other long-term liabilities	2,400,000	2,400,000
<b>Total of other long-term liabilities</b>	<b>2,400,000</b>	<b>2,400,000</b>
CURRENT DEBT		
Convertible debt	0	2,250,000
Trade creditors	3,596,837	2,950,790
Public duties payable	883,247	493,733
Other current debt	554,789	423,385
<b>Total current debt</b>	<b>5,034,873</b>	<b>6,117,908</b>
<b>Total liabilities</b>	<b>7,434,873</b>	<b>8,517,908</b>
<b>Total equity and liabilities</b>	<b>182,093,199</b>	<b>12,497,887</b>

# Cash flow

INDIRECT CASH FLOW	H1 2021	H1 2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/loss before tax	-16,180,905	-6,465,552
Impairment of fixed assets	30,000	0
Change in accounts payable	646,047	2,256,857
Change in other accrual items	944,983	139,096
<b>Net cash flows from operating activities</b>	<b>-14,559,875</b>	<b>-4,069,599</b>
CASH FLOWS FROM INVESTMENT ACTIVITIES		
Payments to buy intangible assets	-5,398,845	-4,555,390
<b>Net cash flows from investment activities</b>	<b>-5,398,845</b>	<b>-4,555,390</b>
CASH FLOWS FROM FINANCING ACTIVITIES		
Change in loan, innovasjon Norge	0	2,400,000
Change in convertible debt	-2,250,000	2,000,000
Proceeds from equity	174,165,000	1,340,448
Sale of own shares	6,610,578	0
<b>Net cash flows from financing activities</b>	<b>178,570,678</b>	<b>5,740,448</b>
Net change in cash and cash equivalents	158,566,858	-2,884,541
Cash and cash equivalents at the start of the period	333,085	3,217,626
<b>Cash and cash equivalents at the end of the period</b>	<b>158,899,943</b>	<b>333,085</b>

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*We disconnect the time power is made, from when it is used*