

SaltX Technology Holding AB (publ)

INTERIM REPORT QUARTER 3 2023

This is information that SaltX Technology is required to disclose under the EU Market Abuse Regulation. The information was submitted for publication on November 1, 2023, at 08 am.



**CREATING VALUE
AND EARNING TRUST**

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INTERIM REPORT QUARTER 3 2023

FINANCIAL EVENTS

Third quarter

- ◆ Net sales amounted to MSEK 2.3 (0.2)
- ◆ Operating profit/loss (EBIT) totaled MSEK -8.6 (-10.7)
- ◆ Cash flow from operating activities amounted to MSEK 14.3 (-12.2)
- ◆ Earnings per share before and after dilution amounted to SEK -0.08 (-0.09)

Year-to-date January – September

- ◆ Net sales amounted to MSEK 9.1 (0.3)
- ◆ Operating profit/loss (EBIT) totaled MSEK -30.0 (-39.7)
- ◆ Cash flow from operating activities amounted to MSEK -3.6 (-38.6)
- ◆ Earnings per share before and after dilution amounted to SEK -0.27 (-0.38)

“IN OCTOBER, SMA MINERAL PLACED A PARTIAL ORDER FOR THE FIRST EAC, WORTH APPROXIMATELY SEK 70 MILLION.

**READ MORE IN THE
CEO'S STATEMENT, PAGE 4**

SIGNIFICANT EVENTS

Third quarter

- ◆ SaltX and SMA Mineral deepened their collaboration in a new agreement
- ◆ SaltX carried out an oversubscribed rights issue and receives approximately MSEK 69.0 in total (before issue expenses)
- ◆ SaltX has been awarded a grant from the Swedish Energy Agency (Energimyndigheten) of approximately MSEK 20 for further development of electrification technology to produce emission-free quicklime

After the end of the period

- ◆ SaltX and SMA Mineral entered an agreement with Ovako Sweden for the use of climate-neutral quicklime in steel production
- ◆ SaltX received a partial order of approximately MSEK 70 for deliveries to the world's first electrified quicklime manufacturing facility

KEY FIGURES

Group, TSEK	Q 3 2023	Q 3 2022	YTD Sep 2023	YTD Sep 2022	FY 2022
Net sales	2,257	150	9,111	256	256
Operating profit/loss (EBIT)	-8,550	-10,668	-29,965	-39,687	-55,572
Earnings per share before and after dilution	-0.08	-0.09	-0.27	-0.38	-0.53
Equity	155,055	143,750	155,055	143,750	125,619
Cash flow from operating activities	14,317	-12,197	-3,584	-38,625	-47,715
Equity ratio (equity/balance sheet total)	66%	81%	66%	81%	75%

STATEMENT FROM THE CEO CREATING VALUE AND EARNING TRUST

COP 28 will take place in Dubai in November and there is a strong focus on reducing emissions in order to meet the set global warming targets. Emissions must be halved by 2030 if they are to be met. Can we do it in seven years? I want to believe we can, but it will be a major challenge. SaltX is nonetheless doing everything in its power to make a contribution.

A recent interesting visit to Mo i Rana industrial park in the northernmost part of Norway showed me that there are numerous initiatives underway to support the overall goal. There are 110 different companies and around 2,500 people working in the heavy process industry in the park, but also in SMA Minerals' existing lime production. I visited the site that is being prepped for the first ZEQL facility planned by SMA.

FOSSIL-FREE LIME BY 2025

The plan is for the first lime production line at SaltX and SMA Minerals' facility (ZEQL) to be in operation before the

summer of 2025. This will be the starting point for SMA's transition to fossil-free production of quicklime.

The past quarter has been characterized by intensive cooperation with SMA to ensure all the technical details and planning of this delivery.

ORDER VALUED AT SEK 70 MILLION

In October, SMA Mineral placed a partial order for the first EAC, worth approximately SEK 70 million. We simultaneously ordered the equipment required to manufacture this from our subcontractors and partners, ScanArc and ABB. Delivery is estimated for about a year from now.

GROWING INTEREST IN SALT X

SaltX is constantly working to create value for customers and owners, thereby enhancing trust in us as a company.

And speaking of trust, I would like to mention a few things. We recently closed a SEK 69 million rights issue. The issue was oversubscribed (119 percent), which is uncom-

**“WE RECENTLY
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mon in the current stock market climate. We have also recently been granted almost SEK 20 million in grants from the Swedish Energy Agency to enhance our construction of a complete “mini-factory” in Hofors.

In addition to this, SaltX and SMA have signed a letter of intent with Ovako Sweden. We already have ongoing cooperation with SSAB and Celsa. Together, this shows there is a great deal of confidence in what we do and achieve. This is what a company can expect when all its employees focus on the goal and are committed to the task.

TEST FACILITY TO BE FORMALLY OPENED

During the summer and fall this year, SaltX has focused strongly on construction in Hofors. We are now well on the way to completing our own test and development facility for testing different materials as quickly as possible. We have been constructing throughout the summer to enable early test runs. The facility will be for-

mally opened in mid-November, after which test runs will begin.

APPROACHING THE GOAL

SaltX is currently in the process of refining its offering with an optimal solution for electrified technology. We are also well on our way to implementing and delivering equipment that reduces carbon dioxide emissions.

With this, and with the orders we have already received and will receive in the future, I can confirm that we will see a gradual increase in our turnover. SaltX has a bright future to look forward to.

Our vision is to maximize our potential to minimize carbon dioxide emissions in the lime and cement industry.

Thank you for the opportunity to address you and for your belief in us.

Carl-Johan Linér, CEO

Stockholm, November 2023



SALT X OPERATIONS

SaltX is a Swedish Greentech company that develops and markets sustainable technology that will benefit customers, the climate, and society. The company operates in large-scale electrification technology primarily for the lime and cement industries, and energy storage solutions. The ambition is to become a leading player in the green industrial transition by eliminating millions of tons of carbon dioxide emissions.

ELECTRIFICATION

SaltX's latest innovation, Electric Arc Calciner – a SaltX patented technical solution that electrifies the industrial process of calcination – to heat material to a very high temperature. The purpose of calcination is to expel a substance or achieve a phase transformation.

The technology replaces fossil-based heating with renewable electricity and isolates and separates the carbon dioxide in the heating process with high energy efficiency. Calcination is used by many industries, the most common of which is the lime and cement industry. Together, these industries are one of the world's largest emitters of carbon dioxide.

With SaltX technology, customers can effectively convert their production and significantly reduce their emissions.

ENERGY STORAGE

The low-carbon transition means that renewable energy sources expand as the industrial sector needs to replace fossil fuels with renewable electricity in its production.

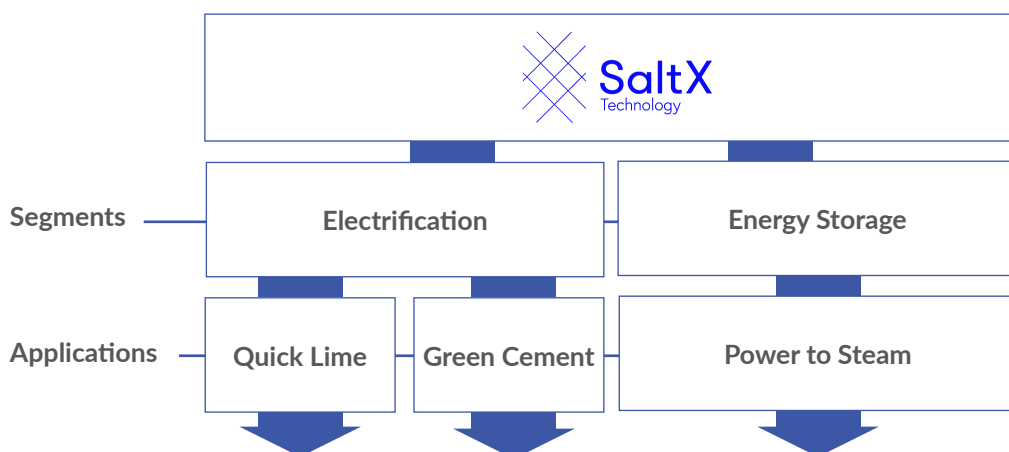
This shift creates new demands on flexibility and storage in the energy system. SaltX's energy storage solution stores

ELECTRIC ARC CALCINER – A SALT X PATENTED SOLUTION THAT ENABLES THE PRODUCTION OF LIME AND CEMENT WITH SIGNIFICANTLY REDUCED EMISSIONS.

large quantities of energy for cities and industries to enable a faster, more stable transition to renewable energy sources. By charging the energy store with renewable electricity, or surplus electricity from the existing grid, discharge can take place at any time with high-grade steam.

Both the energy sector and industry need to transform their production to minimize carbon dioxide emissions and achieve global climate goals. SaltX energy storage can help customers make the transition by offering electrification, increased flexibility, and redundancy.

SALT X OPERATIONS



SaltX's operations are conducted in two different business areas – electrification and energy storage. For these, there are currently three areas of application aimed at industry in order to reduce the sector's carbon dioxide emissions.

SIGNIFICANT EVENTS

...IN THE THIRD QUARTER

SaltX and SMA Mineral deepened their collaboration in a new agreement

Since spring 2022, SaltX Technology and SMA Mineral have collaborated to jointly create electrified lime plants of the future without CO₂ emissions. The parties have now agreed on a joint roadmap until 2028 by signing an in-depth cooperation agreement in which the parties' commitments are regulated.

SaltX carried out an oversubscribed rights issue and receives approximately MSEK 69.0 in total (before expenses)

In the rights issue 29,146,746 shares, corresponding to approximately 80.2 percent, were subscribed for with the support of subscription rights. Additionally, 13,934,248 shares, corresponding to approximately 38.4 percent, were subscribed for without the support of subscription rights. Together, subscriptions with and without the support of subscription rights, correspond to approximately 118.6 percent of the offered shares. Thus, the rights issue was fully subscribed and no guarantee commitments were called upon. SaltX receives proceeds amounting to approximately MSEK 69.0 million before deduction of costs attributable to the rights issue. Not settled proceeds from the issue amounted to MSEK 13.7, which was settled after the end of the quarter.

SaltX has been awarded a grant from the Swedish Energy Agency of approximately MSEK 20 for further development of electrification technology to produce emission-free quicklime

The Swedish Energy Agency has awarded a grant

to SaltX Technology for the implementation of the project "Demonstration of new electric furnace technology on an industrial scale to enable emission-free quicklime production. The grant is approximately MSEK 20 and will be paid in five tranches during the project, beginning in December 2023.

...AFTER THE END OF THE PERIOD

SaltX and SMA Mineral entered an agreement with Ovako Sweden for the use of climate-neutral quicklime in steel production

After entering partnerships with SSAB and Celsa Armeringsstål, Ovako Sweden also chose to sign an agreement with SaltX Technology and SMA Mineral to switch to climate-neutral lime for its steel production. The collaboration begins with a joint pre-study planned for the first quarter of 2024.

SaltX received a partial order of approximately MSEK 70 for deliveries to the world's first electrified quicklime manufacturing facility

The order of approximately MSEK 70 concerns key components for the first of three EAC (Electric Arc Calciner) kiln lines for the ZEQL (Zero Emission Quicklime) plant on behalf of SMA Mineral. This is the first in a series of orders from SMA regarding electrification and carbon dioxide capture technology.

FINANCIAL OVERVIEW

JULY – SEPTEMBER QUARTER 3 2023

REVENUE, EXPENSES AND EARNINGST

Net sales

Net sales for the quarter amounted to TSEK 2,257 (150) and consisted of revenue from the cooperation with SMA Mineral which is aimed at building electrified plants for production of quicklime.

Capitalized work for own account

Capitalized work for own account amounted to TSEK 42,649 (–) in the quarter and relates to expenses for a demonstration facility for electrified quicklime production which is accounted for as an ongoing new fixed asset in the balance sheet.

Other income

Other income in the quarter totaled TSEK – (29).

Expenses

Expenses during the quarter amounted to TSEK -53,456 (-10,847), broken down as other external expenses TSEK -44,837 (-3,349), personnel costs TSEK -5,693 (-4,536), and depreciation of fixed assets TSEK -2,926 (-2,962). The increase in expenses is relating

to project costs for the demonstration facility.

Operating profit/loss (EBIT)

Operating profit/loss was TSEK -8,550 (-10,668) and was affected by the higher level of capitalized expenses.

Financial items

Profit/loss from financial items amounted to TSEK -600 (178) 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 9 percent. Changes in the fair value of the shares in Central Development Holdings Ltd are also included. The change was positive during the quarter at TSEK 83 (628).

Profit/loss before tax

Profit/loss before tax was TSEK -9,150 (-10,490).

Earnings per share before and after dilution amounted to SEK -0.08 (-0.09).

CASH FLOW, INVESTMENTS AND FINANCIAL POSITION

Cash flow and liquidity

Cash flow from operating activities during the quarter was TSEK 14,317 (-12,197).

Group cash equivalents at the end of the period amounted to TSEK 56,139 (83,773).

Long-term liabilities

Long-term liabilities amounted to TSEK 27,539 (25,285) and consisted of loans from the Swedish Energy Agency of TSEK 24,385 and leasing liabilities of TSEK 3,154.

Investments

During the quarter, investments were made that impacted cash flow in the amount of TSEK -42,827 (-255). These consisted primarily of capitalized expenses for the demonstration facility for electric calcination in Hofors and ongoing investments in new patents, including patent applications in additional markets.

Equity

At the end of the quarter, equity amounted to TSEK 155,055 (143,750) or SEK 0.97 (1.19) per share. The equity ratio on the same date was 66 (81) percent.

In September SaltX conducted a rights issue which was subscribed for up to close to 120 percent. The rights issue was partly registered in September with the remainder registered in October. In total the company has issued 39,180,382 shares corresponding to 24,4 percent of new shares including compensation to the issue guarantors (which did not need to be called upon). The company received MSEK 69.0, before issue expenses of MSEK 11.9, of

DEVELOPMENT PER QUARTER

TSEK	Q 3 2022	Q 4 2022	Q 1 2023	Q 2 2023	Q 3 2023
Net sales	150	—	3,271	3,583	2,257
Operating profit/loss (EBIT)	-10,668	-15,885	-8,882	-12,533	-8,550
Cash flow from operating activities	-12,197	-9,090	-8,800	-9,101	14,317
Basic earnings per share, SEK	-0.09	-0.15	-0.09	-0.10	-0.08

which MSEK 5.6 was settled through payment with shares, with a subscription price of SEK 1.90 for 36.2 million shares, the majority of which were received and accounted for in September.

JANUARY – SEPTEMBER 2023

REVENUE, EXPENSES AND EARNINGS

Net sales

Net sales for the period amounted to TSEK 9,111 (256) and consisted of revenue from the cooperation with SMA Mineral which is aimed at building electrified plants for production of quicklime.

Capitalized work for own account

Capitalized work for own account amounted to TSEK

61,452 (351) in the period and relates to expenses for the demonstration facility for electrified quicklime production which is accounted for as an ongoing new fixed asset in the balance sheet.

Other income

Other income in the period totaled TSEK 97 (60).

Expenses

Expenses during the period amounted to TSEK -100,625 (-40,354), broken down as other external expenses TSEK -72,982 (-17,700), personnel costs TSEK -18,844 (-15,201), and depreciation of fixed assets TSEK -8,799 (-7,453).

Operating profit/loss (EBIT)

Operating profit/loss was TSEK -29,965 (-39,687) and was

affected by the higher level of capitalized expenses.

Financial items

Profit/loss from financial items amounted to TSEK -3,155 (-1,279) 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 9 per cent. Changes in the fair value of the shares in Central Development Holdings Ltd are also included. This was negative during the period at TSEK -1,202 (33).

Profit/loss before tax

Profit/loss before tax was TSEK -33,120 (-40,966).

Earnings per share before and after dilution amounted to SEK -0.27 (-0.38).

CASH FLOW, INVESTMENTS

CHANGE OF SHARE CAPITAL

	Change in share capital	Accumulated share capital	Change in no. of shares	Accumulated no. of shares
Opening balance 2023	—	9,688,186.72	—	121,102,334
Rights issue (Sep 2023)	2,331,739.68	12,019,926.40	29,146,746	150,249,080
Rights issue (Oct 2023)	574,716.24	12,594,642.64	7,183,953	157,433,033
Offset issue (Oct 2023)	227,494.64	12,822,137.28	2,843,683	160,276,716

AND FINANCIAL POSITION

Cash flow and liquidity

Cash flow from operating activities during the period was TSEK -3,584 (-38,625).

Investments

During the period, investments were made that impacted cash flow in the amount of TSEK -62,222 (-1,135). These consisted primarily of capitalized expenses for the demonstration facility for electric calcination in Hofors and 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 was TSEK -6,570 (-8,324). On September 30, the parent company held available liquid assets amounting to TSEK 55,828 (78,582).

SHARE CAPITAL

Share capital at the end of the period amounted to SEK 12,019,926.40 consisting of

150,249,080 shares at a nominal value of SEK 0.08.

The company conducted a rights issue, primarily registered in September, which in total increased the number of shares with 39,180,382 and contributed before issue expenses of MSEK 11.9, of which MSEK 5.6 was settled through payment with shares.

SHARES

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

Earnings per share

Earnings per share for period amounted to SEK -0.27 (-0.38) based on an average of 121,102,334 (107,982,915) shares, before dilution. This has, however, not had an impact due to the negative result.

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 Supplementary 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 2022 Annual Report.

CONSOLIDATED STATEMENT OF COMPREHENSIVE RESULT – SUMMARY

TSEK	Q 3 2023	Q 3 2022	YTD Sep 2023	YTD Sep 2022	FY 2022
Net sales	2,257	150	9,111	256	256
Work performed by the Company for its own use and capitalized	42,649	—	61,452	351	351
Other operating income	—	29	97	60	162
TOTAL	44,906	179	70,660	667	769
Other external expenses	-44,837	-3,349	-72,982	-17,700	-25,100
Personnel expenses	-5,693	-4,536	-18,844	-15,201	-20,827
Depreciation of fixed assets	-2,926	-2,962	-8,799	-7,453	-10,414
TOTAL OPERATING EXPENSES	-53,456	-10,847	-100,625	-40,354	-56,341
OPERATING PROFIT/LOSS	-8,550	-10,668	-29,965	-39,687	-55,572
Financial income	3	2	17	12	14
Financial expenses	-603	176	-3,172	-1,291	-3,539
FINANCIAL ITEMS - NET	-600	178	-3,155	-1,279	-3,525
PROFIT/LOSS BEFORE INCOME TAX	-9,150	-10,490	-33,120	-40,966	-59,097
Income tax expense	—	—	—	—	—
PROFIT/LOSS FOR THE PERIOD	-9,150	-10,490	-33,120	-40,966	-59,097

Earnings per share calculated on earnings attributable to parent company shareholders, SEK

Basic earnings per share	-0.08	-0.09	-0.27	-0.38	-0.53
Earnings per share after dilution	-0.08	-0.09	-0.27	-0.38	-0.53

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 2023	Sep 30 2022	Dec 31 2022
ASSETS			
Ongoing rights issued			
Receivables from ongoing rights issue	13,650	—	—
Fixed assets			
Intangible assets			
Capitalized expenditure on development work	69,560	78,701	76,416
Patents and trademarks	2,069	1,933	2,022
	71,629	80,634	78,438
Tangible assets			
Equipment, tools, and installations	494	519	476
Access-rights assets	4,679	1,265	5,813
Ongoing new fixed assets	61,452	—	—
	66,625	1,784	6,289
Financial fixed assets			
Other long-term securities	3,586	6,588	4,788
	3,586	6,588	4,788
TOTAL FIXED ASSETS	155,490	89,006	89,515
Current assets			
Advance payments to suppliers	12,911	1,442	13
Accounts receivable	577	211	—
Other current assets	7,796	2,016	1,962
Prepaid expenses and accrued income	3,022	1,323	1,407
Cash and cash equivalents	56,139	83,773	74,340
Total current assets	80,445	88,765	77,722
TOTAL ASSETS	249,585	177,771	167,237
EQUITY AND LIABILITIES			
Equity			
Share capital	12,020	9,688	9,688
Rights issue under registration	19,053	—	—
Other contributed capital	831,790	790,619	790,619
Accumulated profit or loss including profit/loss for the year	-707,808	-656,557	-674,688
Total equity	155,055	143,750	125,619
Long-term liabilities			
Other liabilities	24,385	25,285	24,985
Leasing liabilities	3,154	—	4,336
Total long-term liabilities	27,539	25,285	29,321
Current liabilities			
Accounts payable	17,798	814	3 212
Leasing liabilities	1,562	1,407	1 583
Other liabilities	1,333	1,561	1 560
Advance payments from customers	15,647	—	—
Accrued expensed and deferred income	17,001	4,954	5 942
Total current liabilities	53,341	8,736	12 297
TOTAL EQUITY AND LIABILITIES	235,935	177,771	167 237

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

TSEK	Attributable to Parent Company shareholders				
	Share capital	Righst issues under registration	Other contributed capital	Accumulated profit/loss incl. profit/loss for the year	Total equity
Opening balance Jan 1, 2022	8,235	—	719,731	-615,591	112,375
Net income/loss Jan-Sep 2022 equal to total comprehensive income	—	—	—	-40,966	-40,966
Total comprehensive income	—	—	—	-40,966	-40,966
Transactions with shareholders in their capacity as shareholders:					
Directed issue	1,453	—	71,208	—	72,661
Issue expenses	—	—	-1,036	—	-1,036
Proceeds from warrants	—	—	716	—	716
Closing balance Dec 31, 2022	9,688	—	790,619	-674,688	125,619
Opening balance Jan 1, 2023	9,688	—	790,619	-674,688	125,619
Net income/loss Jan-Sep 2023 equal to total comprehensive income	—	—	—	-33,120	-33,120
Total comprehensive income	—	—	—	-33,120	-33,120
Transactions with shareholders in their capacity as shareholders:					
Rights issue	2,332	—	53,047	—	55,379
Rights issue under registration	—	19,053	—	—	19,053
Issue expenses	—	—	-11,876	—	-11,876
Closing balance Dec 31, 2022	12,020	19,053	831,790	-707,808	155,055

CONSOLIDATED CASH FLOW STATEMENT

TSEK	Q 3 2023	Q 3 2022	YTD Sep 2023	YTD Sep 2022	FY 2022
Cash flow from operating activities					
Profit/loss after financial items	-9,150	-10,490	-33,120	-40,966	-59,097
Adjustments for non-cash items etc.	2,843	2,334	10,001	7,419	12,180
	-6,307	-8,156	-23,119	-33,547	-46,917
Increase/decrease in operating receivables	22,478	301	20,924	-905	705
Increase/decrease in operating liabilities	-1,854	-4,342	40,459	-4,173	-1,503
Cash flow from change of working capital	20,624	-4,041	19,535	-5,078	-798
Cash flow from operating activities	14,317	-12,197	-3,584	-38,625	-47,715
Cash flow from investing activities					
Acquisition of intangible assets	-178	-205	-593	-902	-1,178
Acquisition of tangible assets	-42,649	-50	-61,629	-233	-300
Cash flow from investing activities	-42,827	-255	-62,222	-1 135	-1,478
Cash flow from financing activities					
New capital issue	55,378	73,576	55,378	72,661	72,661
Issue expenses	-6,472	-1,036	-6,472		
	-1,036	-1,036			
Warrants	—	—	—	716	716
Change in long term leasing liabilities	-436	—	-1,301	-855	-855
Financing development from public funds	—	—	—	887	887
Cash flow from financing activities	48,470	72,540	47,605	72,373	72,373
Cash flow for the period	19,960	60,088	-18,201	32,613	23,180
Cash equivalents at beginning of period	36,179	23,685	74,340	51,160	51,160
Cash equivalents at end of period	56,139	83,773	56,139	83,773	74,340

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 24,385. The loan is interest-bearing at approximately 9 per cent per year. A request for remission of most of the loan has been sent to the Swedish Energy Agency on three occasions but as been rejected.
- ◆ **Intangible assets:**
The largest asset recognized in SaltX's balance sheet is capitalized development expenditure. This is attrib-

table to the basic technology, the large-scale energy storage application, and the application electrification. 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 expenses in conjunction with the construction of the demonstration plant to industrialize the technology for electric calcination have been capitalized.

- ◆ **Research and promotional measures**
During the period, the Group focused on the application electrification. 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

REVENUE

Revenue from agreements with customers
Other revenue
Total revenue

Q 3 2023	Q 3 2022	YTD Sep 2023	YTD Sep 2022	FY 2022
2,257	150	9,111	256	256
—	29	97	60	162
2,257	179	9,208	316	418

The Group has revenues as specified below:

Consultancy services (technology)
Total revenue from customers

Q 3 2023	Q 3 2022	YTD Sep 2023	YTD Sep 2022	FY 2022
2,257	150	9,111	256	256
2,257	150	9,111	256	256

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 reported the following amounts in the income

statement relating to revenue, see table on previous page.

NOTE 3 FINANCIAL INSTRUMENTS

For the Group's borrowing from the Swedish Energy Agency, the request for a remission of the loan has been submitted to the Agency on three occasions and has been rejected.

Regarding the fair value of short-term financial assets and liabilities, the fair value is esti-

mated 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 period, other than the agreed remuneration to the Board of Directors and management.

FINANCIAL ASSETS ARE VALUED AT FAJR VALUE THROUGH THE INCOME STATEMENT

Stock Market Listed Shares

Central Development Holdings Ltd
(f.d. Zhong Fa Zhan Holdings Ltd)

The assets have been valued in level 1 in the true value chain.

Sep 30 2023	Sep 30 2022
3,586	6,588

CHANGE IN FAIR VALUE OF SHARES

KSEK

Change in fair value of shares

Q 3 2023	Q 3 2022	YTD Sep 2023	YTD Sep 2022	FY 2022
83	628	-1,202	33	-1,767

FAIR VALUE

	Sep 30 2023		Sep 30 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
State Energy Agency	24,385	23,829	24,386	23,830

PARENT COMPANY INCOME STATEMENT

TSEK	YTD Sep 2023	YTD Sep 2022	FY 2022
Net revenue	1,800	1,800	2,400
NET REVENUE	1,800	1,800	2,400
Other external expenses	-1,998	-2,965	-3,373
Personnel expenses	-5,954	-5,717	-7,873
TOTAL OPERATING EXPENSES	-7,952	-8,682	-11,246
OPERATING RESULT	-6,152	-6,882	-8,846
Financial income	850	—	—
Financial expenses	-1,268	-1,442	-3,418
FINANCIAL ITEMS - NET	-418	-1,442	-3,418
PROFIT BEFORE TAX	-6,570	-8,324	-12,264
Income tax	—	—	—
PROFIT/LOSS FOR THE PERIOD	-6,570	-8,324	-12,264

PARENT COMPANY BALANCE SHEET

TSEK	Sep 30 2023	Sep 30 2022	Dec 31 2022
ASSETS			
Ongoing rights issue			
Receivables from ongoing rights issue	13,650	—	—
Financial assets			
Participations in subsidiaries	197,270	197,270	197,270
Other long-term securities	3,586	6,588	4,788
Total financial assets	200,856	203,858	202,058
Current assets			
Advance payments suppliers	—	—	3
Current receivables			
Other receivables	194	425	215
Accounts receivable from Group companies	56,190	—	—
Prepaid expenses and accrued income	398	228	197
Cash and bank deposits	55,828	78,582	70,568
Total current assets	112,610	79,235	70,983
TOTAL ASSETS	327,116	283,093	273,041
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	12,020	9,688	9,688
Rights issue under registration	19,053	—	—
	31,073	9,688	9,688
Non-restricted equity			
Share premium reserve	613,135	571,964	571,964
Retained earnings	-319,289	-307,025	-307,025
Profit/loss for the year	-6,570	-8,324	-12,264
	287,276	256,615	252,675
Total equity	318,349	266,303	262,363
Current liabilities			
Accounts payable	457	5	243
Accounts payables to Group companies	—	8,591	7,314
Other liabilities	125	125	121
Accrued expenses and deferred income	8,185	2,521	3,000
Total current liabilities	8,767	16,790	10,678
TOTAL EQUITY AND LIABILITIES	327,116	283,093	273,041

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 1, 2023
Board of Directors

Åke Sund
Chairman

Staffan Andersson
Board member

Per Bodén
Board member

Tony Grimaldi
Board member

Hans Holmström
Board member

Elin Lydahl
Board member

Carl-Johan Linér
CEO

AUDITOR'S REPORT



Auditor's report

SaltX Technology Holding AB (publ) corp. 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 2023 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, 1 November 2023

Öhrlings PricewaterhouseCoopers AB

Claes Sjödin
Authorized Public Accountant

OTHER INFORMATION

CALENDAR

Interim Report 2023

February 16, 2024

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