

Kyoto receives approval in principle from Nefco – The Nordic Green Bank

Oslo, Norway 04 May 2023 - Kyoto Group is pleased to announce that it has received approval in principle of debt financing from Nefco, an international financial institution owned by the five Nordic countries, to support the scaling up of its thermal energy storage offering.

Nefco serves the interest of Denmark, Finland, Iceland, Norway, and Sweden and takes concrete actions to accelerate the green transition aligned with the 2030 agenda for sustainable development, the Paris Agreement, the EU Green Deal and the Nordic Vision 2030. The approval in principle from Nefco could provide debt financing of EUR 4 million to support Kyoto's growth, pending the concluding negotiations and the final approval by the Nefco board.

"We are excited about the positive response from Nefco, which has conducted a thorough process with Kyoto, including a site visit to our first commercial installation at Nordjyllandsværket in Denmark. Gaining Nefco as a funding partner will be an important step for Kyoto and illustrates that we have several financing options available to support commercialization and growth in a rapidly developing energy storage market," says Håvard Haukdal, CFO of Kyoto Group.

Nefco is an international financial institution that finances the initial scale-up of Nordic green solutions on international markets. At the end of 2022, Nefco managed funds totaling EUR 618 million.

"In order to scale together with one of the largest electricity companies in the world, we will need to level up and strengthen our capabilities. Funds from Nefco are largely intended to be used to strengthen our tech and after-sales organization," says Haukdal.

The Kyoto Heatcube provides thermal energy storage and heat generation in one product. It supplies industrial customers with the technology needed to lower both their costs for producing process heat and their CO2 emissions using intermittent renewable energy sources instead of fossil fuels for heat production.

The Heatcube can be configured with storage capacities from 16 MWh to over 96 MWh, with a discharge effect for each Heatcube of up to 5 MW. It is an innovative, low-cost, and modular storage solution for thermal energy that can use multiple renewable energy sources to heat molten salt to over 415 degrees Celsius. The high-temperature salt is then used to produce steam for industrial production processes.

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About Kyoto Group

Heat accounts for half of industrial energy consumption. Traditionally, nearly all of it is based on fossil fuels. Kyoto Group's Heatcube, a thermal energy storage (TES) solution, provides a sustainable and cost-effective alternative by capturing and storing abundant but variable energy from sources such as solar and wind. Founded in 2016, Kyoto Group is headquartered in Oslo, Norway, and has subsidiaries in Spain and Denmark. The Kyoto share is listed on Euronext Growth (ticker: KYOTO).

About Nefco

Nefco is an international financial institution (IFI) that finances the initial scale-up of Nordic green solutions on international markets. Founded in 1990 by the five Nordic countries, Nefco takes concrete actions to accelerate the green transition aligned with the 2030 Agenda for sustainable development, the Paris Agreement, the EU Green Deal and the Nordic Vision 2030.