

SaltX Technology Holding AB (publ)

INTERIM REPORT QUARTER 2 2021

This is information that SaltX Technology is required to disclose under the EU Market Abuse Regulation.
The information was submitted for publication on August 20, 2021, at 08:00 am



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INTERIM REPORT QUARTER 2 2021

FINANCIAL EVENTS

Second quarter

- ◆ Net sales amounted to MSEK 0.1 (0.0)
- ◆ Operating profit/loss (EBIT) totaled MSEK -7.9 (-8.2)
- ◆ Cash flow from operating activities amounted to MSEK -10.3 (-10.2)
- ◆ Earnings per share before and after dilution amounted to SEK -0.08 (-0.09)

Year to date January - June

- ◆ Net sales amounted to MSEK 0.1 (0.1)
- ◆ Operating profit/loss (EBIT) totaled MSEK -16.0 (-17.3)
- ◆ Cash flow from operating activities amounted to MSEK -18.1 (-19.2)
- ◆ Earnings per share before and after dilution amounted to SEK -0.19 (-0.21)

SIGNIFICANT EVENTS

Second quarter

- ◆ SaltX launched a new industrial project in the city of Luleå
- ◆ SaltX completed a directed new share issue of B-shares, raising SEK 60 million

After the end of the period

- ◆ SaltX in cooperation agreement with ABB regarding control systems

KEY FIGURES

Group, TSEK	Q 2 2021	Q 2 2020	YTD June 2021	YTD June 2020	FY 2020
Net sales	52	25	61	89	94
Operating profit/loss (EBIT)	-7,923	-8,169	-16,044	-17,327	-33,392
Earnings per share before and after dilution	-0.08	-0.09	-0.19	-0.21	-0.41
Equity	133,116	113,419	133,116	113,419	95,434
Cash flow from operating activities	-10,317	-10,216	-18,095	-19,174	-32,508
Equity ratio (equity/balance sheet total)	77%	74%	77%	74%	70%

"OUR SUCCESS IN THE COMPETITION HELSINKI ENERGY CHALLENGE HAS OPENED DOORS TO CURIOUS AND INTERESTED POTENTIAL PARTNERS, AND WE ARE IN A DIALOGUE WITH AMONGST OTHERS HELEN, THE LOCAL POWER COMPANY IN HELSINKI.

READ MORE ON PAGE 4

THE CEO'S ADDRESS

The second quarter has been eventful, and we continue to strengthen the business. Building large-scale pilots and enhancing our solution based on our lab results is without a doubt the most important point on the agenda. This will enable us to take the next step in SaltX's commercial development.

We are pleased that we have signed a cooperation agreement with ABB in Sweden that aims to develop automation and control systems for the process in EnerStore, which is an important part of our installation. It is a strength for SaltX to bring in ABB's specialists and their extensive expertise and experience at

an early stage in our pilot projects.

REACTOR IS FINALISED

The discharge reactor in our Stockholm pilot was completed during the quarter, and the first test runs have started. The other part, the charging reactor, is under construction together with our Australian partner

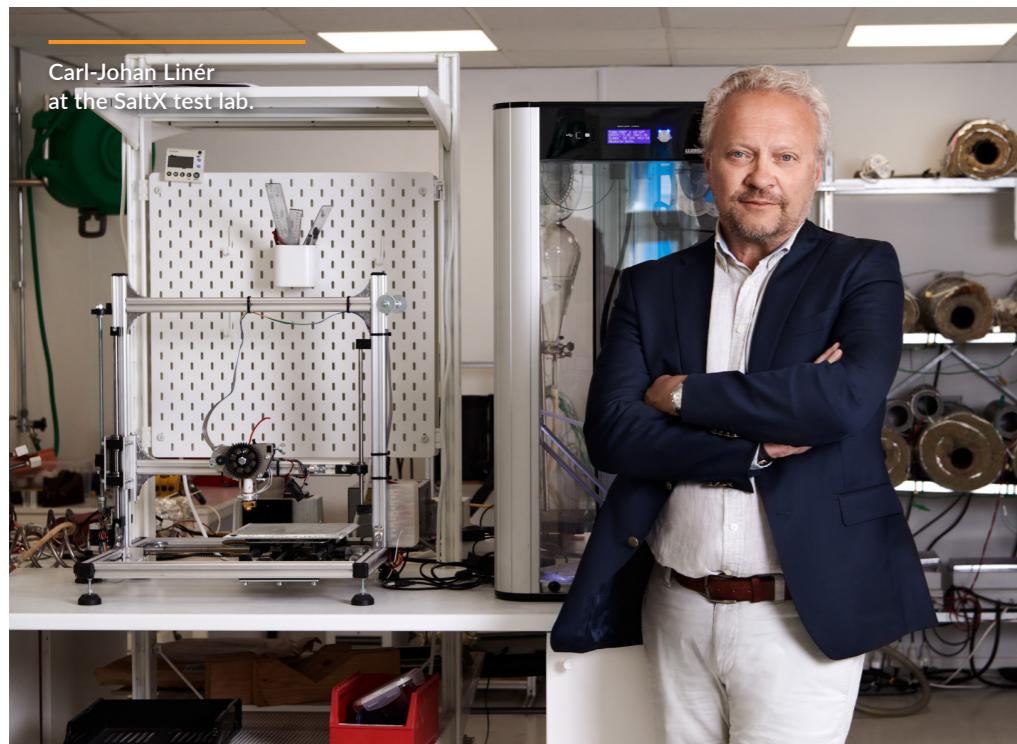
"IT IS A STRENGTH FOR SALTX TO BRING IN ABB'S SPECIALISTS AND THEIR EXTENSIVE EXPERTISE AND EXPERIENCE AT AN EARLY STAGE IN OUR PILOT PROJECTS..."

Calix Ltd, so we will come back later to the results for both the discharge reactor and the complementary charging reactor. The complete facility in Stockholm will form an important basis for the pilot project in the city of Luleå. The plant will be the first of its kind to use residual gas from the production of steel to charge an energy store. We are in the process of planning and conducting preliminary studies for the Luleå plant, which we plan to install next year. SaltX takes responsibility for the complete installed energy storage in this pilot plant – an important confirmation of the competence and ability of the company.

The work with the Chinese partner Shuangliang is progressing. Tests continue as certain adjustments and changes need to be made to one of their reactors to achieve results.

SUCCESS CREATS INTEREST

Our success in the competition Helsinki Energy Challenge has opened doors to curious and



Carl-Johan Linér
at the SaltX test lab.

NEW COLLABORATION IN AUTOMATION AND CONTROL SYSTEMS STRENGTHENS SALTX'S COMPETENCE

Cooperation agreement has been concluded with ABB in Sweden and enables SaltX to secure a stable and scalable control system to strengthen its technical platform.

SaltX has developed into a company that takes overall responsibility for the energy storage in its pilot plants. Recently, the focus has therefore been on supplementing the company's material expertise through close cooperation with a number of different partners in order to create a complete product. This broadens the offering and strengthens the business in relation to the company's competitors.

We are leaving an eventful quarter with progress in the technical development and look forward to continuing to build ourselves stronger in complete thermal energy storage, where our nanocoated material constitutes such an important basis. At the time of writing, it feels as if fall is already here with all the rain, however, it is my hope that we can all be able to look back on a pleasant and warm summer as we read this.

Carl-Johan Linér,
CEO
Stockholm, August 2021

heat from nearby industry. The cooperation with ABB therefore begins with the aim of installing the first common system in the Luleå pilot. Being able to develop first-class automation and control systems together with ABB's specialists and getting them into the project at an early stage is positive.

SALTX, WANTS TO DRIVE THE TRANSFORMATION OF SOCIETY

ABB, with its leading position as a global technology company, like SaltX, wants to drive the transformation of society and industry, making the partnership a perfect match. ABB's engines, drive systems and automation solutions will complement SaltX's unique nanocoated technology in an excellent way, and the cooperation will be of great importance in the work to scale up energy storage for the industry.

SALTX 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 nano-coated 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 in order 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.

SALTX 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 com-

mercialization is easier and less risky.

SALTX 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 heat back to

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

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.

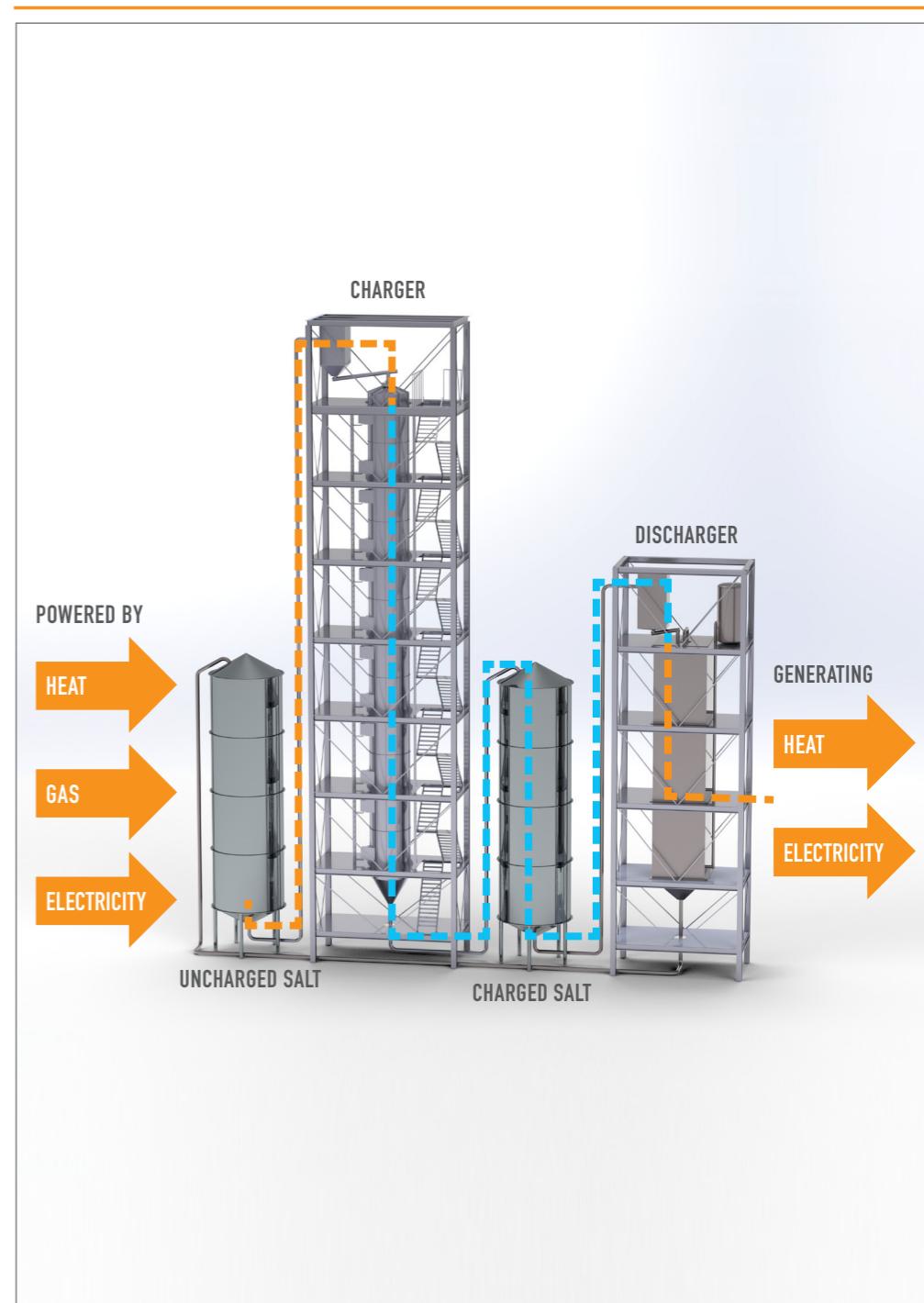
SALTX PARTNERS & ECOSYSTEM

SaltX collaborates with partners in the development of materials, technology, 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.

SALTX 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.

SALTX STORES THERMAL ENERGY



TECHNICAL PLATFORM



APPLICATION PARTNERS



END CUSTOMER PARTNERS



HEAT TO HEAT

POWER TO STEAM

POWER TO POWER

SIGNIFICANT EVENTS

...IN THE SECOND QUARTER

SALTX LAUNCHED AN INDUSTRIAL PILOT PROJECT IN THE CITY OF LULEÅ AND CONCLUDED AN AGREEMENT FOR STORING ENERGY FROM INDUSTRY

SaltX Technology has concluded an agreement with Luleå Energi, LuleKraft and the Swedish Metal Research Institute (Swerim), to construct a pilot plant of 1 MW and 15 MWh, that uses nanocoated salt to store thermal energy. The pilot plant is planned to be built in the city of Luleå and will be charged with residual gas/heat from nearby industry.

SALTX COMPLETED A DIRECTED NEW SHARE ISSUE OF B-SHARES, RAISING SEK 60 MILLION

SaltX conducted in May a directed new share issue of 15 million B-shares, corresponding to SEK 60 million. The subscription price was set to SEK 4.00 per share. The proceeds to SaltX will

primarily be used to finance further product development.

...AFTER THE END OF THE PERIOD

SALTX IN COOPERTION 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

APRIL-JUNE QUARTER 2 2021

REVENUE, EXPENSES AND EARNINGS

Net sales

Net sales for the quarter amounted to TSEK 52 (25).

Capitalized expenditure for development work

Balanced development expenses amounted to TSEK 3,377 (–) 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 1,030 (744) and included the SaltX share of the reward from Helsinki Energy Challenge.

Expenses

Expenses during the quarter amounted to TSEK 12,382 (8,938), broken down as other external expenses TSEK 5,790 (3,009), personnel costs TSEK 5,047 (4,395), and depreciation of fixed assets TSEK 1,545 (1,534). 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 -7,923 (-8,169).

Financial items

Profit/loss from financial items amounted to TSEK -177 (142) 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 330 (633).

Profit/loss before tax

Profit/loss before tax was TSEK -8,100 (-8,027).

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 -10,317 (-10,216).

Group cash equivalents at the end of the quarter amounted to TSEK 78,903 (61,820).

Long-term liabilities

Long-term liabilities amounted to TSEK 28,604 (31,832) and consisted of loans from

the Swedish Energy Agency of TSEK 24,388 and from Almi Företagspartner of TSEK 2,400, as well as long-term leasing liabilities of TSEK 1,816.

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 -715 (-235). These consisted of capitalized expenditure for the development of a pilot plant with a fluidized bed reactor. Capitalized expenditure has been reduced in the quarter with the grant from Swedish Energy Agency with TSEK 2,812. Cash flow also include ongoing investments in new patents, including patent applications in additional markets.

Equity

At the end of the quarter equity amounted to TSEK 133,116 (113,419) or SEK 1.29 (1.29) per share and has increased through an issue of shares in the quarter. The equity ratio on the same date was 77 (74) percent.

SaltX conducted in May a directed new share issue of 15 million B-shares, corresponding to SEK 60 million. The subscription price was set to SEK 4.00 per share. The proceeds to SaltX

DEVELOPMENT PER QUARTER

TSEK	Q 2 2020	Q 3 2020	Q 4 2020	Q 1 2021	Q 2 2021
Net sales	25	5	–	9	52
Operating profit/loss (EBIT)	-8,169	-7,964	-8,101	-8,121	-7,923
Cash flow from operating activities	-10,216	-6,584	-6,750	-7,778	-10,317
Basic earnings per share, SEK	-0.09	-0.11	-0.10	-0.11	-0.08

will primarily be used to finance further product development.

JANUARY-JUNE

REVENUE, EXPENSES AND EARNINGS

Net sales

Net sales for the period amounted to TSEK 61 (89).

Capitalized expenditure for development work

Balanced development expenses amounted to TSEK 8,366 (–) 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 1,173 (825).

Expenses

Expenses during the period amounted to TSEK 25,644 (18,241), broken down as other external expenses TSEK 12,656 (6,589), personnel costs TSEK 9,909 (8,595), and depreciation of fixed assets TSEK 3,079

(3,057). 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 -16,044 (17,327).

Financial items

Profit/loss from financial items amounted to TSEK -1,515 (-863) 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 negative in the period at TSEK -537 (166).

Profit/loss before tax

Profit/loss before tax was TSEK -17,559 (-18,190).

Earnings per share before and after dilution amounted to SEK -0.19 (-0.21).

CASH FLOW AND INVESTMENTS

Cash flow and liquidity

Cash flow from operating activities during the period was TSEK -18,095 (-19,174).

Investments

During the period, investments were made that impacted cash flow in the amount of TSEK -6,133 (-465). These consisted of capitalized expenditure for the development of a pilot plant with a fluidized bed reactor. Capitalized expenditure has been reduced in the quarter with the grant from Swedish Energy Agency with TSEK 2,812. Cash flow also includes 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

CHANGE OF SHARE CAPITAL DURING YEAR 2021

Opening balance 2021
Directed issue

	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

Growth Market.

Profit/loss before tax for the period January – June was TSEK -5,231 (-3,584). At June 30, the parent company held available liquid assets amounting to TSEK 75,122 (60,456).

SHARE CAPITAL

Share capital at the end of the period amounted to SEK 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.

Warrants

A share issue in 2018 was carried out in the form of units consisting of one share and one warrant. 14.8 million warrants were issued. After conversion in connection with the 2019 issue, 1,9555 warrants are required to subscribe for one share at a strike price of SEK 12.71 until October 31, 2021. On full subscription of these warrants, the number of shares will increase by 7.5 million, corresponding to a dilution of 9 percent, and the company will receive SEK 96 million.

Earnings per share

Earnings per share for the period amounted to SEK -0.19 (-0.21) based on an average of 91,686,984 (86,658,525) 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 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 of 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

CONSOLIDATED BALANCE SHEET – SUMMARY

TSEK	Q 2 2021	Q 2 2020	YTD June 2021	YTD June 2020	FY 2020
Net sales	52	25	61	89	94
Work performed by the Company for its own use and capitalized	3,377	—	8,366	—	2,863
Other operating income	1,030	744	1,173	825	884
TOTAL	4,459	769	9,600	914	3,841
Other external expenses	-5,790	-3,009	-12,656	-6,589	-14,550
Personnel expenses	-5,047	-4,395	-9,909	-8,595	-16,330
Depreciation of fixed assets	-1,545	-1,534	-3,079	-3,057	-6,353
TOTAL OPERATING EXPENSES	-12,382	-8,938	-25,644	-18,241	-37,233
OPERATING PROFIT/LOSS	-7,923	-8,169	-16,044	-17,327	-33,392
Financial income	-8	—	—	—	—
Financial expenses	-169	142	-1,515	-863	-2,783
FINANCIAL ITEMS - NET	-177	142	-1,515	-863	-2,783
PROFIT/LOSS BEFORE INCOME TAX	-8,100	-8,027	-17,559	-18,190	-36,175
Income tax expense	—	—	—	—	—
PROFIT/LOSS FOR THE PERIOD	-8,100	-8,027	-17,559	-18,190	-36,175
Earnings per share calculated on earnings attributable to parent company shareholders, SEK					
Basic earnings per share	-0.08	-0.09	-0.19	-0.21	-0.41
Earnings per share after dilution	-0.08	-0.09	-0.19	-0.21	-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.

TSEK	Jun 30, 2021	Jun 30, 2020	Dec 31, 2020
ASSETS			
Fixed assets			
Intangible assets			
Capitalized expenditure on development work	78,140	73,334	74,392
Patents and trademarks	1,622	1,538	1,338
Tangible assets	79,762	74,872	75,730
Equipment, tools, and installations	772	1,234	991
Access-rights assets	3,164	4,683	3,924
	3,936	5,917	4,915
Financial fixed assets			
Other long-term securities	4,818	6,283	5,355
Total fixed assets	88,516	87,072	86,000
Current assets			
Advance payments to suppliers	1,534	—	639
Accounts receivable	—	38	—
Other current assets	2,023	2,196	2,024
Prepaid expenses and accrued income	1,455	1,721	1,309
Cash and cash equivalents	78,903	61,820	45,649
Total current assets	83,915	65,775	49,621
TOTAL ASSETS	172,431	152,847	135,621
EQUITY AND LIABILITIES			
Equity			
Share capital	8,235	7,035	7,035
Other contributed capital	719,754	665,713	665,713
Accumulated profit or loss including profit/loss for the year	-594,873	-559,329	-577,314
Total equity	133,116	113,419	95,434
Long-term liabilities			
Other liabilities	26,788	27,988	27,388
Leasing liabilities	1,816	3,394	2,617
Total long-term liabilities	28,604	31,382	30,005
Current liabilities			
Accounts payable	1,499	728	1,950
Leasing liabilities	1,578	1,489	1,533
Other liabilities	1,523	1,489	1,673
Accrued expenses and deferred income	6,111	4,340	5,026
Total current liabilities	10,711	8,046	10,182
TOTAL EQUITY AND LIABILITIES	172,431	152,847	135,621

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

CONSOLIDATED CASH FLOW STATEMENT

Attributable to Parent Company shareholders						TSEK	Q 2 2021	Q 2 2020	YTD June 2021	YTD June 2020	FY 2020
TSEK	Share capital	Rights issues under registration	Other contributed capital	Accumulated profit/loss incl. profit/loss for the year	Total equity						
Opening balance Jan 1, 2020	5,808	1,228	665,851	-541,139	131,748	Cash flow from operating activities					
Net income/loss Jan-Jun 2020 equal to total comprehensive income	—	—	—	-18,190	-18,190	Profit/loss after financial items	-8,100	-8,027	-17,559	-18,190	-36,175
Total comprehensive income	—	—	—	-18,190	-18,190	Adjustments for non-cash items etc.	1,215	901	3,616	3,034	7,257
Transactions with shareholders in their capacity as shareholders:						Increase/decrease in operating receivables	694	-216	-1,040	930	913
Rights issues	1,227	-1,228	—	—	-1	Increase/decrease in operating liabilities	-4,126	-2,874	-3,112	-4,948	-4,503
Issue expenses	—	—	-138	—	-138	Cash flow from change of working capital	-3,432	-3,090	-4,152	-4,018	-3,590
Closing balance Jun 30, 2020	7,035	—	665,713	-559,329	113,419	Cash flow from operating activities	-10,317	-10,216	-18,095	-19,174	-32,508
Opening balance Jul 1, 2020	7,035	—	665,713	-559,329	113,419	Cash flow from investing activities					
Net income/loss Jul-Dec 2020 equal to total comprehensive income	—	—	—	-17,985	-17,985	Acquisition of intangible assets	-715	-205	-6,107	-435	-3,586
Total comprehensive income	—	—	—	-17,985	-17,985	Acquisition of tangible assets	—	-30	-26	-30	-30
Transactions with shareholders in their capacity as shareholders:						Cash flow from investing activities	-715	-235	-6,133	-465	-3,616
Closing balance Dec 31, 2020	7,035	—	665,713	-577,314	95,434	Cash flow from financing activities					
Opening balance Jan 1, 2021	7,035	—	665,713	-577,314	95,434	New capital issue, net of issue expenses	55,241	—	55,241	-282	-282
Net income/loss Jan-Jun 2021 equal to total comprehensive income	—	—	—	-17,559	-17,559	Change in long term leasing liabilities	-421	-413	-840	-824	-1,656
Total comprehensive income	—	—	—	-17,559	-17,559	Financing development from public funds	3,081	—	3,081	—	1,146
Transactions with shareholders in their capacity as shareholders:						Payback financing for development from European Union	—	-2,756	—	-2,756	-2,756
Share issues	1,200	—	58,800	—	60,000	Cash flow from financing activities	57,901	-3,169	57,482	-3,862	-3,548
Issue expenses	—	—	-4,759	—	-4,759	Cash flow for the period	46,869	-13,620	33,254	-23,501	-39,672
Closing balance Jun 30, 2021	8,235	—	719,754	-594,873	133,116	Cash equivalents at beginning of period	32,034	75,440	45,649	85,321	85,321
						Cash equivalents at end of period	78,903	61,820	78,903	61,820	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 24,388. 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 recognized in SaltX's balance sheet is capita-
- ◆ **Development**
The Group assesses when the product or process is
- ◆ **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 and discharging energy from nanocoated salt. In addition, resources have been put into initial
- ◆ **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.

REVENUE

Revenue from agreements with customers
Other revenue
Total revenue

	Q 2 2021	Q 2 2020	YTD June 2021	YTD June 2020	FY 2020
Revenue from agreements with customers	52	25	61	89	94
Other revenue	1,030	744	1 173	825	884
Total revenue	1,082	769	1 234	914	978

The Group has revenues as specified below:

	Q 2 2021	Q 2 2020	YTD June 2021	YTD June 2020	FY 2020
Product sale	52	25	61	39	44
Development work	—	—	—	50	50
Total revenue from customers	52	25	61	89	94

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).

STOCK MARKET LISTED SHARES

Central Development Holdings Ltd
(previously Zhong Fa Zhan Holdings Ltd)

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.

	Jun 30, 2021	Jun 30, 2020	Dec 31, 2020
Central Development Holdings Ltd (previously Zhong Fa Zhan Holdings Ltd)	4,818	6,283	5,355

CHANGE IN FAIR VALUE OF SHARES

TSEK
Change in fair value of shares

	Q 2 2021	Q 2 2020	YTD June 2021	YTD June 2020	FY 2020
TSEK	330	633	-537	166	-762

FAIR VALUE

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

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.

PARENT COMPANY INCOME STATEMENT

PARENT COMPANY BALANCE SHEET

TSEK	YTD June 2021	YTD June 2020	FY 2020	TSEK	Jun 30, 2021	Jun 30, 2020	31 dec 2020
Net revenue	1,200	1,200	2,400	ASSETS			
Other operating revenue	34	—	9	Financial assets			
NET REVENUE	1,234	1,200	2,409	Participations in subsidiaries	197,270	197,270	197,270
Other external expenses	-1,278	-1,698	-2,988	Other long-term securities	4,818	6,283	5,355
Personnel expenses	-3,786	-3,508	-6,612	Total fixed assets	202,088	203,553	202,625
TOTAL OPERATING EXPENSES	-5,064	-5,206	-9,600	Current assets			
OPERATING RESULT	-3,830	-4,006	-7,191	Current receivables			
Financial income	—	256	943	Other receivables	483	241	174
Financial expenses	-1,401	166	-762	Accounts receivable from Group companies	—	17,157	750
FINANCIAL ITEMS - NET	-1,401	422	181	Prepaid expenses and accrued income	388	536	340
PROFIT BEFORE TAX	-5,231	-3,584	-7,010	Cash and bank deposits	75,122	60,456	43,828
Group contribution	—	—	-72,000	Total current assets	75,993	78,390	45,092
Income tax	—	—	—	TOTAL ASSETS	278,081	281,943	247,717
PROFIT/LOSS FOR THE PERIOD	-5,231	-3,584	-79,010	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	501,099	447,058	447,058
				Retained earnings	-249,578	-170,568	-170,568
				Profit/loss for the year	-5,231	-3,584	-79,010
					246,290	272,906	197,480
				Total equity	254,525	279,941	204,515
				Current liabilities			
				Accounts payable	405	170	43
				Accounts payables to Group companies	21,369	—	40,907
				Other liabilities	117	111	290
				Accrued expenses and deferred income	1,665	1,721	1,962
				Total current liabilities	23,556	2,002	43,202
				TOTAL EQUITY AND LIABILITIES	278,081	281,943	247,717

OTHER INFORMATION

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, August 20, 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

This interim report has not been reviewed by the Company's auditors.

CALENDAR

Interim Report Q3 2021
Year-End Report 2021

November 4, 2021
February 18, 2022

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

ADDRESS

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