SaltX Technology

SaltX Technology Holding AB (publ)

INTERIM REPORT QUARTER 2 2022

This is information that SaltX Technology is required to disclose under the EU Market Abuse Regulation. The information was submitted for publication on August 24, 2022, at 08 am.

ELECTRIFICATION OF THE LIME & CEMENT INDUSTRY

CONTENTS

Interim report 2 2022	3
The CEO's address	4
Meet the innovators who want to electrify the lime and cement industry	6
SaltX operations	8
Significant events	10
Financial overview	11
Consolidated financial statements	14
Notes	18
Note 1 Significant estimates and assessments for accounting purposes	18
Note 2 Revenue	19
Note 3 Financial instruments	19
Note 4 Transactions with affiliated parties	19
Parent company financial statements	20
Declaration of the Board of Directors and the CEO	22
Other information	23

INTERIM REPORT QUARTER 2 2022

FINANCIAL EVENTS

Second quarter

- Net sales amounted to MSEK 0.0 (0.1)
- Operating profit/loss (EBIT) totaled MSEK -16.6 (-7.9)
- Cash flow from operating activities amounted to MSEK -14.1 (-10.3)
- Earnings per share before and after dilution amounted to SEK -0.16 (-0.08)

Year to date January – June

- Net sales amounted to MSEK 0.1 (0.1)
- Operating profit/loss (EBIT) totaled MSEK -29.0 (-16.0)
- Cash flow from operating activities amounted to MSEK -26.4 (-18.1)
- Earnings per share before and after dilution amounted to SEK -0.30 (-0.19)

SIGNIFICANT EVENTS

Second quarter

- SaltX and ABB in cooperation to explore new innovative electric calcination technology
- SaltX project in the city of Luleå takes a new direction towards the steel industry's green transition
- SaltX and Norrenergi in collaboration to strengthen the future climate smart district heating
- New technology from SaltX makes production of "green lime" possible – results verified by the industry
- Breakthrough in production of "green cement" – results verified by industry experts
- SaltX partnered with SMA Mineral to accelerate the transition into production of "green quicklime" and carried out a directed new share issue of MSEK 73

AS AN INNOVATION-DRIVEN COMPANY, IT IS OUR DUTY TO EXPLORE THE OPPORTUNITIES THAT TECHNOLOGY OFFERS US.

READ MORE ON PAGE 6

KEY FIGURES

Group, TSEK	Q 2 2022	Q 2 2021	YTD Jun 2022	YTD Jun 2021	FY 2021
Net sales	–	52	106	61	164
Operating profit/loss (EBIT)	-16,645	-7,923	-29,019	-16,044	-37,587
Earnings per share before and after dilution	-0.16	-0.08	-0.30	-0.19	-0.39
Equity	154,361	133,116	154,361	133,116	112,375
Cash flow from operating activities	-14,133	-10,317	-26,428	-18,095	-36,092
Equity ratio (equity/balance sheet total)	80%	77%	80%	77%	74%

THE CEO'S ADDRESS
IMPORTANT STEPS FOR SALTX

After a good summer without Covid restrictions, we are full of energy to fulfil our strategy and get closer to a commercialized position for the company. In previous CEO letters, I talked about and described how our company is performing strongly and is well-positioned for the necessary transformation of both the energy sector and industry.

Today, we are even stronger in the market with in-depth knowledge thanks to our close partnerships, more potential patents and an innovative electrification technology. The value of our company has developed positively in recent times, one major reason for it being our continued focus on technical competence and the ability to present innovations that are in demand from the market.

INNOVATION FOR ELECTRIFICATION OF THE LIME AND CEMENT INDUSTRY

During the spring, we took a few more important steps forward for the company. What comes to mind first is our technological innovation that enables the electrification of the lime industry, where we can now prevent large emissions of carbon dioxide. This is thanks to our patent-pending technical solution EAC (Electric Arc Calciner) (see also the article about the people behind EAC on page 8).

We have also completed the installation and commissioning of our energy storage facility in Bollmora, which we were able to manifest in the early summer with a physical event at the facility. Together with LDES (Long Duration Energy Storage Council), we had about 80 people on site, from politicians and partners to end customers and owners, all of whom had the chance to learn more about the technology and listen to presentations of development and the need for energy solutions.

Our new innovation now means that we have a broader technical platform that can be used both to charge our energy storage facility and to electrify the lime industry. This means that we are opening up more strategic opportunities for the company.

"A BROADER TECHNICAL PLATFORM THAT CAN BE USED BOTH TO CHARGE OUR ENERGY STORAGE AND TO ELECTRIFY THE LIME INDUSTRY.

NEW INDUSTRIAL PARTNERS

That is why I am delighted to present SMA Mineral AB as a new industrial partner and part-owner of SaltX. SMA has shown great interest in using our electrical calcination technology to meet market demands. Together, we thus secure the supply chain of calcium carbonate and open the door to existing customers who are looking for "green lime" for their production.

SaltX and SMA are now planning for an initial demonstration plant and joint development in order to bring the technology to the market.

GREAT INTEREST FROM LARGE COMPANIES

Energy storage is and will be a very important enabler for making unplanned energy sources (solar & wind) plannable. What I can confirm after our seminar in Bollmora is that there is a great deal of interest and curiosity in alternative energy sources and storage. Above all, large companies are planning for the transition and some have started to take the first steps with different types of preliminary studies, in which we are involved. It is still at an early stage as customers are unsure of which storage technology is best suited to each solution.

What I am sure of, however, is that our future will be interesting future with the great expertise we have in the company, a broad technical platform and high demand for our solutions. It is the technical problems we solve that build our long-term value in the company.

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

Carl-Johan Linér, CEO
Stockholm, August 2022

Carl-Johan Linér

MEET THE INNOVATORS WHO WANT TO ELECTRIFY THE LIME AND CEMENT INDUSTRY

SaltX Technology is an innovative Greentech company that strives to develop energy storage and electrification technology that significantly contributes to reduced carbon dioxide emissions from the energy and industrial sector. This means that we constantly need to break new ground with innovation and curiosity leading us to new discoveries and advances. To succeed, innovative people with an untiring desire to resolve both big and small challenges are needed. Lars Croon and Corey Blackman are such people.

Lars Croon is a heat and energy pioneer who has worked consistently to get things working. He started his career in a heating and plumbing company in his native town of Örnsköldsvik, which led Lars further into the field of thermal energy and associated system solutions.

In his many years as a contractor, Lars has imported vacuum solar collectors, optimized combustion processes for heating plants, been responsible for biofuel conversion of coal-fired boilers in England, commissioned and optimized around ten CHP plants, established over thirty biofuel plants and been responsible for an experimental group for combustion trials in fluid beds. It is no exaggeration to claim that Lars is

Lars Croon

one of Sweden's sharpest and most experienced "energy craftsmen".

What characterizes Lars' professional achievements is making technology work in practice. He has always worked diligently in his professional roles, where he literally built, tested and optimized various types of plants. As he puts it, he is not a "desk engineer" with the computer as his main tool, quite the opposite. A practical problem solver who refuses to give up before finding solutions to the problems he is facing. This was also the reason why Lars chose to take up employment at SaltX in 2017. Here he saw the opportunity to take on the biggest and by far the most important challenge – the energy industry's negative climate impact.

> "I'M DEFINITELY NOT A DESK ENGINEER.

In his new role as project manager for the EnerStore energy storage solution, he and SaltX CTO, Corey Blackman, became a dynamic duo. Lars' practical experience and Corey's background in research and technology development were the perfect mix of skills. Without these two, and the talented team they put together, the world's first pilot plant for energy storage in nano-coated salt would never have seen the light of day.

INNOVATION – ELECTRIC ARC CALCINER (EAC)

When Lars took on the challenge of finding a new and more efficient charging reactor for SaltX's energy storage facility, Lars, Corey and the team discovered that the technology is also ideal for electrifying the industrial process of calcination. The term calcination means that materials are heated to high temperatures to change their properties.

There is great potential here to create a solution that can significantly reduce carbon dioxide emissions from the lime and cement industry, and as Corey sees it, "as an innovation-driven company, it is our duty to explore the opportunities that technology offers us".

Earlier in his career, Lars was faced with the challenge of creating a new solution for combustion of biofuel. Once again, this time as a SaltX employee, he faced the challenge of finding an innovative heating technology and saw the potential of doing so using electric plasma technology. It is the result of this work that we are now seeing in the Electric Arc Calciner innovation.

The development team at SaltX succeeded in creating an electrically driven industrial calcination process that makes the production of lime and cement free of carbon dioxide emissions.

Corey Blackman

> "...PRODUCTION OF LIME AND CEMENT FREE FROM CARBON DIOXIDE EMISSIONS.

This is done in two ways, by replacing fossil heating with renewable electricity and by isolating and separating the carbon dioxide released by heating in the manufacturing process. This is a unique, unrivaled technology and a breakthrough in producing climate-neutral lime and cement.

The results have been verified by external experts and have resulted in SMA Mineral AB, one of the Nordic region's leading lime manufacturers, entering into a partnership with and investing in SaltX. This is proof of the quality and potential of the innovation.

ONE INNOVATION – MULTIPLE APPLICATIONS

The Electric Arc Calciner innovation and partnership with SMA Minerals is a milestone for SaltX's opportunities to contribute to a renewable electrified industry. It also strengthens our opportunities to build efficient and scalable energy storage solutions, which continues to be a major and important part of the company's operations. The fact that the lime and cement industry is a very homogeneous market with constant demand means that there is great potential for SaltX to reach a commercial phase in a relatively short time.

The market for energy storage continues to develop in a positive direction, but the market is not yet fully balanced, which makes the current broadening of SaltX's operations even more relevant and exciting.

THE SALTX BUSINESS

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 energy storage solutions and electrification technology, primarily for the lime and cement industries.

Both the energy sector and industry need to transform their production in order to minimize carbon dioxide emissions and achieve global climate goals. In order to succeed, we need not only action and willingness, but also new innovative technology that enables the transition and strengthens the players' future competitiveness.

SaltX makes the energy transition possible by offering efficient and sustainable energy storage solutions where renewable energy can be stored efficiently and circularly. The company's latest innovation, called EAC (Electric Arc Calciner), entails both a more efficient charging process for energy storage and an opportunity to electrify industrial processes such as calcination.

SALTX ENERGY STORE – ENERSTORE

The company's energy storage solution enables the storage of renewable energy for energy companies and industries. By charging SaltX material with energy, the customer can save renewable or surplus energy and then discharge it when necessary. The energy storage is suitable for storing energy for weeks and months, but also for hours and days, which contributes to flexibility in production.

The low-carbon transition means that renewable energy sources are being expanded and that industry needs to replace fossil fuels with renewable electricity in its production. This places new demands on flexibility and storage in the energy system.

SaltX's energy storage solution helps store large quantities of energy to cities and industries to enable a faster, more stable transition to renewable energy sources.

Energy storage solutions are available for three different applications. Heat to Heat, Power to Steam and Power to Power. The company is currently prioritizing the development and commercialization of the Power to Steam application.

ELECTRIC ARC CALCINER – AN INNOVATION THAT ENABLES THE PRODUCTION OF CLIMATE-NEUTRAL LIME AND CEMENT.

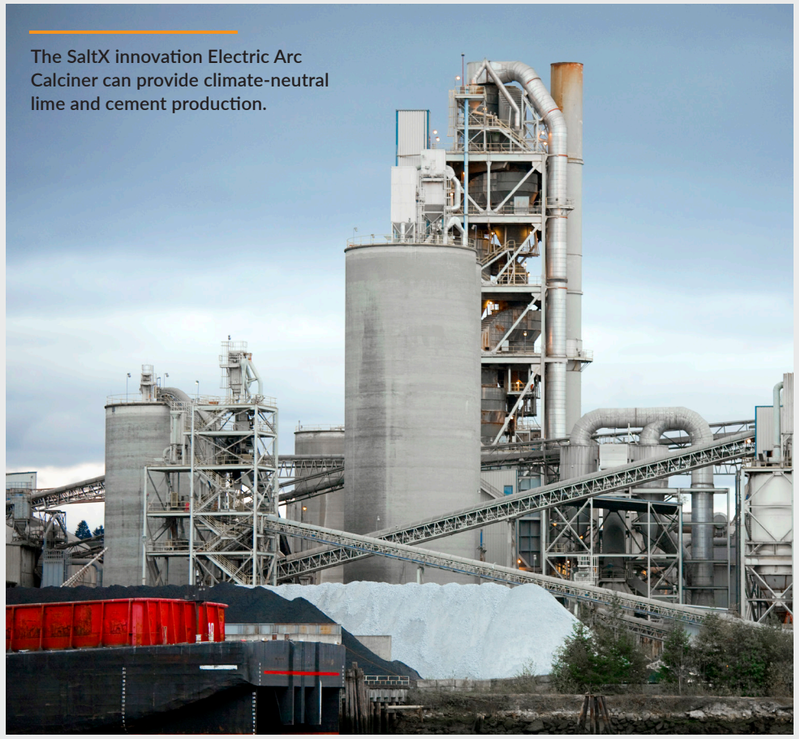
POWER TO STEAM

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. This steam can then be used to generate electricity, deliver district heating or both. The energy is discharged as district heating or electricity, into existing systems. This enables a city or region to provide more renewable energy to society and ensure a reliable and efficient energy supply at all times of the year.

Many industries rely on steam, such as the process and food industries. Access to high-temperature steam is both costly and requires a high level of safety. With EnerStore, it is possible to store electricity in the energy store and then discharge the energy as steam to ensure high availability at the lowest possible cost.

ELECTRIFICATION – Electric Arc Calciner (EAC)

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



The SaltX innovation Electric Arc Calciner can provide climate-neutral lime and cement production.

By completely replacing fossil heating of the material with renewable electricity, some of the carbon dioxide emissions are eliminated. As limestone is heated, it also releases carbon dioxide, which our solution captures and isolates as a by-product, ready for final storage. This means that EAC technology provides climate-neutral lime and cement production. This is a unique technology that removes the industry's need for investments in CCS (Carbon Capture Storage Systems).

In June 2022, SaltX entered into a partnership with one of the Nordic region's largest lime manufacturers, SMA Mineral AB, to jointly further develop the technology and start work on building pilot and demonstration plants. "Green lime" is in high demand in the steel, pulp and paper and cement industries.

SIGNIFICANT EVENTS

...IN THE SECOND QUARTER

SALTX AND ABB IN COOPERATION TO EXPLORE NEW INNOVATIVE ELECTRIC CALCINATION TECHNOLOGY

SaltX Technology aims to play a vital role in the transition to renewable energy. The company partnered with ABB to accelerate the decarbonization of cement- and quicklime industries through electrification.

SALTX PROJECT IN THE CITY OF LULEÅ TAKES A NEW DIRECTION TOWARDS THE STEEL INDUSTRY'S GREEN TRANSITION

At the beginning of 2021, SaltX Technology began a collaboration with LuleKraft, Luleå Energi, and the metal research institute Swerim, to reduce CO2 emissions for the industrial sector in the region. A pre-study has been carried out, that clearly shows that SaltX energy storage can increase energy efficiency and lower climate impact for the steel industry.

SALTX AND NORRENERGI IN COLLABORATION TO STRENGTHEN THE FUTURE CLIMATE SMART DISTRICT HETAING

SaltX Technology has partnered with Norrenergi to analyze how its district heating system in northern Stockholm can become fossil-free. Norrenergi reached out to SaltX after the company's winning contribution to the Helsinki Energy Challenge 2021.

NEW TECHNOLOGY FROM SALTX MAKES PRODUCTION OF "GREEN LIME" POSSIBLE – RESULTS VERIFIED BY THE INDUSTRY

SaltX Technology's innovation is called the Electric Arc Calciner (EAC), and can electrify the production of lime while simultaneously separating and capturing CO^2 from the limestone. The innovation has the potential to remove all emissions from the lime industry. Leading players in the sector have verified the positive results.

BREAKTHROUGH IN PRODUCTION OF "GREEN CEMENT" – RESULTS VERIFIED BY INDUSTRY EXPERTS

SaltX Technology has previously communicated about its innovation – Electric Arc Calciner (EAC), and the successful results to produce "green quicklime". The company is now announcing successful and verified results for electric- and climate-neutral cement production.

SALTX PARTNERED WITH SMA MINERAL TO ACCELERATE THE TRANSITION INTO PRODUCTION OF "GREEN QUICKLIME" AND CARRIED OUT A DIRECTED NEW SHARE ISSUE OF MSEK 73

SaltX Technology initiated a commercial collaboration and carried out a directed issue of approximately SEK 73 million to the industrial partner SMA Mineral AB, one of the leading quicklime producers in the Nordics. SaltX aims to accelerate the green transition in the lime and cement industry with its new innovation – the Electric Arc Calciner.

FINANCIAL OVERVIEW

APRIL – JUNE – QUARTER 2 2022

REVENUE, EXPENSES AND EARNINGS

Net sales
Net sales for the quarter amounted to TSEK 0 (52).

Capitalized work for own account
Capitalized work for own account amounted to SEK 0 (3,377) thousand in the quarter.

Other income
Other income in the quarter totaled TSEK 4 (1,030).

Expenses
Expenses during the quarter amounted to TSEK -16,649 (-12,382), broken down as other external expenses TSEK -8,127 (-5,790), personnel costs TSEK -5,573 (-5,047), and depreciation of fixed assets TSEK -2,949 (-1,545). Depreciation of capitalized expenditure on development work of energy storage, EnerStore, has been initiated from April 1 2022 with TSEK 5,028 per year over a ten-year period.

Operating profit/loss (EBIT)
Operating profit/loss was TSEK -16,645 (-7,923).

Financial items
Profit/loss from financial items amounted to TSEK 464 (-177) 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 during the quarter at TSEK 891 (330).

Profit/loss before tax
Profit/loss before tax was TSEK -16,181 (-8,100).

Earnings per share before and after dilution amounted to SEK -0.16 (-0.08).

CASH FLOW, INVESTMENTS AND FINANCIAL POSITION

Cash flow and liquidity
Cash flow from operating activities during the quarter was TSEK 14,133 (-10,317).

Group cash equivalents at the end of the quarter amounted to TSEK 23,685 (78,903).

Funds from share issue of TSEK 72,661 were received in July, after the end of the quarter.

Long-term liabilities
Long-term liabilities amounted to TSEK 25,729 (28,604) and consisted of loans from the Swedish Energy Agency of TSEK 24,386 and from Almi Företagspartner of TSEK 1,200, as well as long-term leasing liabilities of TSEK 143.
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 -493 (-715). These consisted of ongoing investments in new patents, including patent applications in additional markets.

Equity
At the end of the quarter, equity amounted to TSEK 154,361 (133,116) or SEK 1.50 (1.29) per share and decreased during the 12-month period due to the negative result. Equity has increased through a directed issue of 18,165,350 shares at SEK 4.00 per share which contributed SEK 72.7 million to the company in July. The equity ratio on the same date was 80 (77) percent.

JANUARY – JUNE

REVENUE, EXPENSES AND EARNINGS

Net sales
Net sales for the period amounted to TSEK 106 (61) and

DEVELOPMENT PER QUARTER

TSEK	Q 2 2021	Q 3 2021	Q 4 2021	Q 1 2022	Q 1 2022
Net sales	52	103	—	106	—
Operating profit/loss (EBIT)	-7,923	-7,999	-13,544	-12,374	-16,645
Cash flow from operating activities	-10,317	-3,658	-14,339	-12,295	-14,133
Basic earnings per share, SEK	-0.08	-0.05	-0.15	-0.14	-0.16

relates to consultancy services in product development.

Capitalized work for own account
Capitalized work for own account amounted to TSEK 351 (8,366) in the period and relate to the last remaining limited development and construction of a pilot with new reactor technology based on fluidization.

Other income
Other income in the period totaled TSEK 31 (1,173).

Expenses
Expenses during the period amounted to TSEK -29,507 (-25,644) , broken down as other external expenses TSEK -14,351 (-12,656), personnel costs TSEK -10,665 (-9,909) , and depreciation of fixed assets TSEK -4,491 (-3,079).

Operating profit/loss (EBIT)
Operating profit/loss was TSEK -29,019 (-16,044).

Financial items
Profit/loss from financial items amounted to TSEK -1,457 (-1,515) 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 -595 (-537).

Profit/loss before tax
Profit/loss before tax was TSEK -30,476 (-17,559).

Earnings per share before and after dilution amounted to SEK -0.30 (-0.19).

CASH FLOW, INVESTMENTS AND FINANCIAL POSITION

Cash flow and liquidity
Cash flow from operating activities during the period was TSEK -26,428 (-18,095).

Investments
During the period, investments were made that impacted cash flow in the amount of TSEK -880 (-6,133). These consisted of capitalized expenditure for the development of a pilot plant with a fluidized bed reactor, 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 -6,692 (-5,231). On June 30, the parent company held available liquid assets amounting to TSEK 20,516 (75,122).

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.

At the end of the period the company has carried out a directed rights issue of 18,165,350 shares which was not yet registered at the end of the period and is reported as ongoing. The issue was subscribed by SMA Mineral AB, one the collaborating partners of the company, at SEK 4.00 per share which contributed SEK 72,7 million to the company in July.

The above mentioned ongoing issue was not yet registered at the end of the period.

CHANGE OF SHARE CAPITAL DURING YEAR 2022

	Change in share capital	Accumulated share capital	Change in no. of shares	Accumulated no. of shares
Opening balance 2022	—	8,234,958.72	—	102,936,984

The above ongoing issue not yet registered at the end of the period.

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

Earnings per share
Earnings per share for the period amounted to SEK -0.30 (-0.19) based on an average of 102,936,984 (87,936,984) shares, before dilution. In May the companye carried out an issue of warrants od which 738,000 were subscribed by key persones. 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 2021 Annual Report.

CONSOLIDATED STATEMENT OF COMPREHENSIVE RESULT – SUMMARY

TSEK	Q 2 2022	Q 2 2021	YTD Jun 2022	YTD Jun 2021	FY 2021
Net sales	–	52	106	61	164
Work performed by the Company for its own use and capitalized	0	3,377	351	8,366	18,155
Other operating income	4	1,030	31	1,173	1,200
TOTAL	**4**	**4,459**	**488**	**9,600**	**19,519**
Other external expenses	-8,127	-5,790	-14,351	-12,656	-33,015
Personnel expenses	-5,573	-5,047	-10,665	-9,909	-17,888
Depreciation of fixed assets	-2,949	-1,545	-4,491	-3,079	-6,203
TOTAL OPERATING EXPENSES	**-16,649**	**-12,382**	**-29,507**	**-25,644**	**-57,106**
OPERATING PROFIT/LOSS	**-16,645**	**-7,923**	**-29,019**	**-16,044**	**-37,587**
Financial income	5	-8	10	–	–
Financial expenses	459	-169	-1,467	-1,515	-690
FINANCIAL ITEMS - NET	**464**	**-177**	**-1,457**	**-1,515**	**-690**
PROFIT/LOSS BEFORE INCOME TAX	**-16,181**	**-8,100**	**-30,476**	**-17,559**	**-38,277**
Income tax expense	–	–	–	–	–
PROFIT/LOSS FOR THE PERIOD	**-16,181**	**-8,100**	**-30,476**	**-17,559**	**-38,277**
Earnings per share calculated on earnings attributable to parent company shareholders, SEK					
Basic earnings per share	-0.16	-0.08	-0.30	-0.19	-0.39
Earnings per share after dilution	-0.16	-0.08	-0.30	-0.19	-0.39

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	Jun 30 2022	Jun 30 2021	Dec 31 2021
ASSETS			
Ongoing rights issue			
Receivables from ongoing rights issuel	72,661	–	–
Fixed assets			
Intangible assets			
Capitalized expenditure on development work	80,985	78,140	84,795
Patents and trademarks	1,899	1,622	1,587
	82,884	**79,762**	**86,382**
Tangible assets			
Equipment, tools, and installations	597	772	660
Access-rights assets	1,645	3,164	2,405
	2,242	**3,936**	**3,065**
Financial fixed assets			
Other long-term securities	5,960	4,818	6,555
	5,960	**4,818**	**6,555**
Total fixed assets	**91,086**	**88,516**	**96,002**
Current assets			
Advance payments to suppliers	865	1,534	91
Other current assets	2,966	2,023	2,696
Prepaid expenses and accrued income	1,462	1,455	1,300
Cash and cash equivalents	23,685	78,903	51,160
Total current assets	**28,978**	**83,915**	**55,247**
TOTAL ASSETS	**192,725**	**172,431**	**151,249**
EQUITY AND LIABILITIES			
Equity			
Share capital	8,235	8,235	8,235
Rights issue, to be registered	–	0	0
Other contributed capital	719,532	719,754	719,731
Accumulated profit or loss including profit/loss for the year	-646,067	-594,873	-615,591
Total equity	**154,361**	**133,116**	**112,375**
Long-term liabilities			
Other liabilities	25,586	26,788	26,186
Leasing liabilities	143	1,816	991
Total long-term liabilities	**25,729**	**28,604**	**27,177**
Current liabilities			
Accounts payable	3,217	1,499	3,565
Leasing liabilities	1,673	1,578	1,601
Other liabilities	1,554	1,523	1,533
Accrued expensed and deferred income	6,191	6,111	4,998
Total current liabilities	**12,635**	**10,711**	**11,697**
TOTAL EQUITY AND LIABILITIES	**192,725**	**172,431**	**151,249**

CONSOLIDATED STAEMENT OF CHANGES IN EQUITY

	Attributable to Parent Company shareholders				
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, 2021	**7,035**	**–**	**665,713**	**-577,314**	**95,434**
Net income/loss Jan-Mar 2021 equal to total comprehensive income	–	–	–	-17,559	-17,559
Total comprehensive income	**–**	**–**	**–**	**-17,559**	**-17,559**
Closing balance Mar 31, 2021	**7,035**	**–**	**665,713**	**-594,873**	**77,875**
Opening balance Apr 1, 2021	**7,035**	**–**	**665,713**	**-594,873**	**77,875**
Net income/loss Apr-Dec 2021 equal to total comprehensive income	–	–	–	-20,718	-20,718
Total comprehensive income	**–**	**–**	**–**	**-20,718**	**-20,718**
Transactions with shareholders in their capacity as shareholders:					
Share issues	1,200	–	58,800	–	60,000
Issue expenses	–	–	-4,782	–	-4,782
Closing balance Dec 31, 2021	**8,235**	**–**	**719,731**	**-615,591**	**112,375**
Opening balance Jan 1, 2022	**8,235**	**–**	**719,731**	**-615,591**	**112,375**
Net income/loss Jan-Mar 2022 equal to total comprehensive income	–	–	–	-30,476	-30,476
Total comprehensive income	**–**	**–**	**–**	**-30,476**	**-30,476**
Transactions with shareholders in their capacity as shareholders:					
Rights issue under registration	–	72,661	–	–	72,661
Issue expenses	–	–	-915	–	-915
Proceeds from warrants	–	–	716	–	716
Closing balance Mar 31, 2022	**8,235**	**72,661**	**719,532**	**-646,067**	**154,361**

CONSOLITADED CASH FLOW STATEMENT

TSEK	Q 2 2022	Q 2 2021	YTD Jun 2022	YTD Jun 2021	FY 2021
Cash flow from operating activities					
Profit/loss after financial items	-16,181	-8,100	-30,476	-17,559	-38,277
Adjustments for non-cash items etc.	2,058	1,215	5,086	3,616	5,003
	-14,123	**-6,885**	**-25,390**	**-13,943**	**-33,274**
Increase/decrease in operating receivables	-1,311	694	-1,206	-1,040	-115
Increase/decrease in operating liabilities	1,301	-4,126	168	-3,112	-2,703
Cash flow from change of working capital	**-10**	**-3,432**	**-1,038**	**-4,152**	**-2,818**
Cash flow from operating activities	**-14,133**	**-10,317**	**-26,428**	**-18,095**	**-36,092**
Cash flow from investing activities					
Acquisition of intangible assets	-467	-715	-697	-6,107	-14,836
Acquisition of tangible assets	-26	–	-183	-26	-170
Cash flow from investing activities	**-493**	**-715**	**-880**	**-6,133**	**-15,006**
Cash flow from financing activities					
New capital issue, net of issue expenses	-199	55,241	-199	55,241	55,218
Change in long term leasing liabilities	-429	-421	-855	-840	-1,688
Financing development from public funds	–	3,081	887	3,081	3,079
Cash flow from financing activities	**-628**	**57,901**	**-167**	**57,482**	**56,609**
Cash flow for the period	**-15,254**	**46,869**	**-27,475**	**33,254**	**5,511**
Cash equivalents at beginning of period	38,939	32,034	51,160	45,649	45,649
Cash equivalents at end of period	23,685	78,903	23,685	78,903	51,160

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 three occasions but was rejected.

- **Intangible assets:**
  The largest asset recognized 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 costs 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 and discharging energy from nanocoated salt. This has also led to new technology and solution for calcination.
  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 reported the following amounts in the income statement relating to revenue:

REVENUE

	Q 2 2022	Q 2 2021	YTD Jun 2022	YTD Jun 2021	FY 2021
Revenue from agreements with customers	–	52	106	61	164
Other revenue	4	1,030	31	1,173	1,200
Total revenue	**4**	**1,082**	**137**	**1,234**	**1,364**

The Group has revenues as specified below:

	Q 2 2022	Q 2 2021	YTD Jun 2022	YTD Jun 2021	FY 2021
Product sale	–	52	–	61	61
Consultancy services (technology)	–	–	106	–	103
Total revenue from customers	**–**	**52**	**106**	**61**	**164**

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 three occasions and has been rejected.

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

Under perioden har inga transaktioner med närstående förekommit annat än avtalade ersättningar till styrelse och ledning.

STOCK MARKET LISTED SHARES

	Jun 30 2022	Jun 30 2021	FY 2021
Central Development Holdings Ltd (previously Zhong Fa Zhan Holdings Ltd)	5,960	4,818	6,555

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

CHANGE IN FAIR VALUE OF SHARES

TSEK	Q 2 2022	Q 2 2021	YTD Jun 2022	YTD Jun 2021	FY 2021
Change in fair value of shares	891	330	-595	-537	1,200

FAIR VALUE

	Jun 30 2022		Jun 30 2021		Dec 31 2021	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Swedish Energy Agency	24,386	23,830	24,388	23,830	24,386	23,830

PARENT COMPANY INCOME STATEMENT

TSEK	YTD Jun 2022	YTD Jun 2021	FY 2021
Net revenue	1,200	1,200	2,400
Other operating revenue	–	34	344
NET REVENUE	**1,200**	**1,234**	**2,434**
Other external expenses	-2,163	-1,278	-3,242
Peronnel expenses	-3,978	-3,786	-6,680
TOTAL OPERATING EXPENSES	**-6,141**	**-5,064**	**-9,922**
OPERATING RESULT	**-4,941**	**-3,830**	**-7,488**
Financial income	–	–	2
Financial expenses	-1,751	-1,401	39
FINANCIAL ITEMS - NET	**-1,751**	**-1,401**	**41**
PROFIT BEFORE TAX	**-6,692**	**-5,231**	**-7,447**
Group contribution	–	–	-50,000
Income tax	–	–	–
PROFIT/LOSS FOR THE PERIOD	**-6,692**	**-5,231**	**-57,447**

PARENT COMPANY BALANCE SHEET

TSEK	Jun 30 2022	Jun 30 2021	Dec 31 2021
ASSETS			
Ongoing rights issue			
Receivables from ongoing rights issue	72,661	–	–
Financial assets			
Participations in subsidiaries	197,270	197,270	197 270
Other long-term securities	5,960	4,818	6,555
Total fixed assets	**203,230**	**202,088**	**203,825**
Current assets			
Advance payments suppliers	–	–	69
Current receivables			
Other receivables	559	483	321
Prepaid expenses and accrued income	333	388	248
Cash and bank deposits	20,516	75,122	49,141
Total current assets	**21,408**	**75,993**	**49,779**
TOTAL ASSETS	**297,299**	**278,081**	**253,604**
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	8,235	8,235	8,235
Rights issue, to be registered	72,661	–	–
	80,896	**8,235**	**8,235**
Non-restricted equity			
Share premium reserve	500,877	501,099	501,076
Retained earnings	-307,025	-249,578	-249,578
Profit/loss for the year	-6,692	-5,231	-57,447
	187,160	**246,290**	**194,051**
Total equity	**268,056**	**254,525**	**202,286**
Current liabilities			
Accounts payable	786	405	499
Accounts payables to Group companies	25,568	8,591	48,663
Other liabilities	118	117	140
Accrued expenses and deferred income	2,771	1,665	2,016
Total current liabilities	**29,243**	**23,556**	**51,318**
TOTAL EQUITY AND LIABILITIES	**297,299**	**278,081**	**253,604**

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 24, 2022
Board of Directors

Åke Sund	Staffan Andersson	Per Bodén	Tony Grimaldi
Chairman	*Board member*	*Board member*	*Board member*

Hans Holmström	Erica Larson	Elin Lydahl
Board member	*Board member*	*Board member*

Carl-Johan Linér
CEO

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

OTHER INFORMATION

CALENDAR

Interim Report Q3 2022	November 4, 2022
Year-End Report 2022	February 18, 2023

The 2022 Annual Report is expected to be published at the end of March 2023.

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