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Green Energy Available for Everyone

KYOTO Capital Markets Day

November 25, 2021, 13:00 – 16:00

Video

Agenda

1. Welcome
2. Kyoto on a page
3. The Heatcube
4. Operational update; projects & near-term pipeline

Break

5. Aurora Energy Research
6. Mid- to long-term market opportunities

Break

7. Ramping up to secure growth
8. Q&A

The challenge: Decarbonization of industry through electrification

CO_2 is cooking the planet

Electrification through renewables

The challenge: increasing volatility

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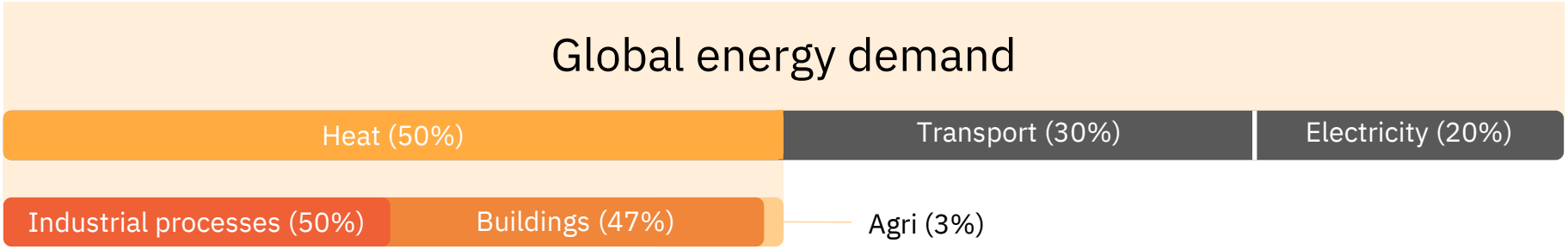
Heat accounts for half of global energy consumption



89%

of heat produced by fossil and non-renewable fuel sources make up

40%

of global CO_2 emissions

https://iea.org/reports/renewables-2020/renewable-heat

Kyoto on a page

Founded in

2016

Listed on Euronext Growth in 2021

Employees

12 full-time employees

Located in

Lysaker, Norway

Scaling up

Aiming to become a billion NOK revenue company

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Board of directors with significant industry experience

Eivind Reiten
Chairman

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

Arne Erik Kristiansen

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

Ivar Valstad

Senior Advisor Corporate Development Norsk Hydro ASA

Thorleif Enger

Several board positions,
Ex CEO Yara

Hans Olav Kvalvaag

SVP
New Ventures Scatec Solar

Pål Selboe Valseth

Several board positions,
CEO Valinor

Management team with solid industry experience

Christopher Kjølner

CEO

Skagerak Energi

GE Renewable Energy

Camilla Nilsson

CFO

YARA

Hydro

Bjarke Buchbjerg

Interim CTO

SIEMENS Gamesa RENEWABLE ENERGY

Peter Iversen

Interim Procurement Manager

RAMBØLL

MAERSK

Gustavo Z. Holo

Products & IT

syncano

computas

Trude H. Shelby

Interim People & Culture

CORPORATE SPRING - the HUMAN side of business

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Kyoto Purpose
Green energy available for everyone
7 AFFORDABLE AND CLEAN ENERGY
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
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Accelerating the shift to renewable energy through providing reliable thermal energy storage with thermal batteries

The Heatcube stabilizes renewable energy and makes the energy mix greener

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The Heatcube

The technology: The Heatcube

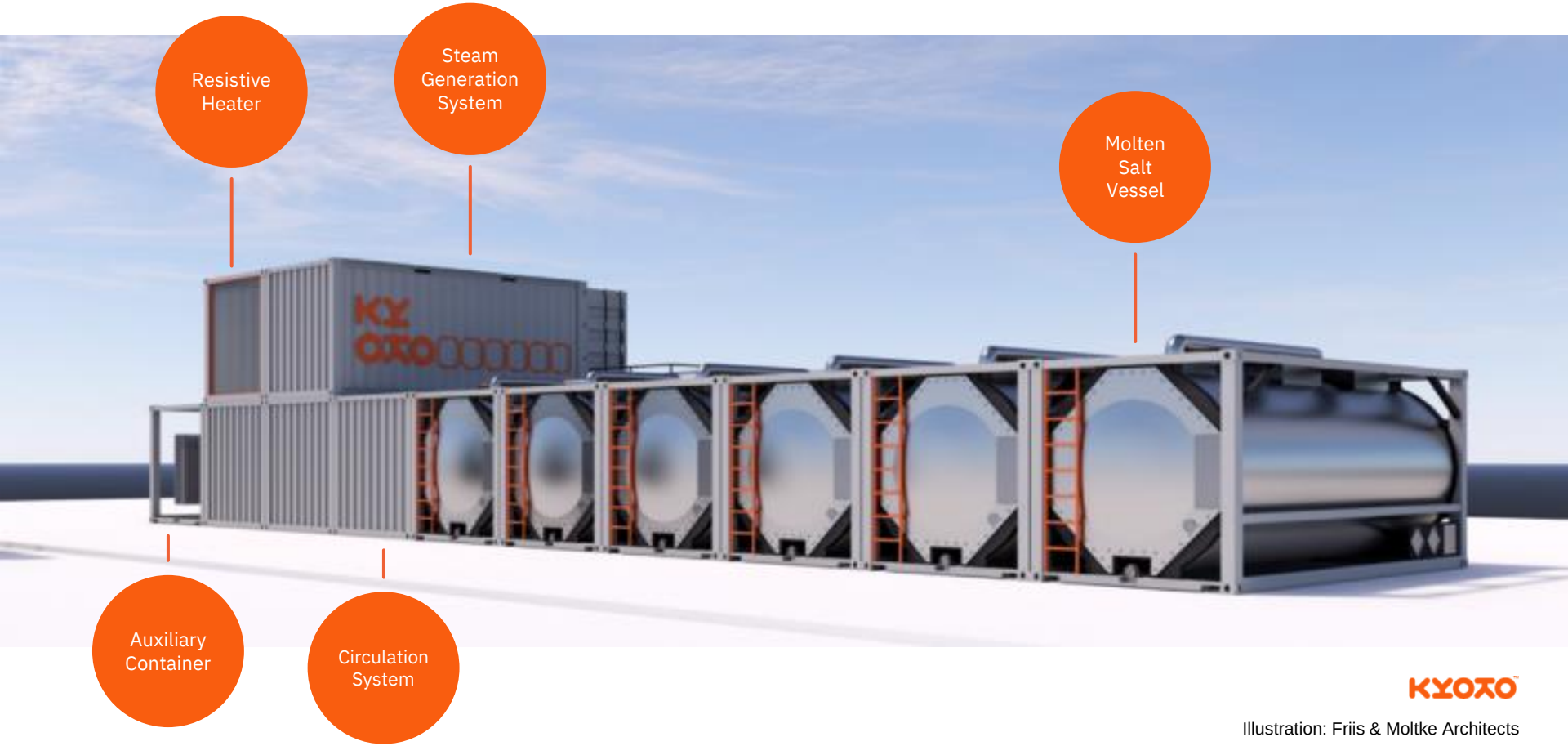
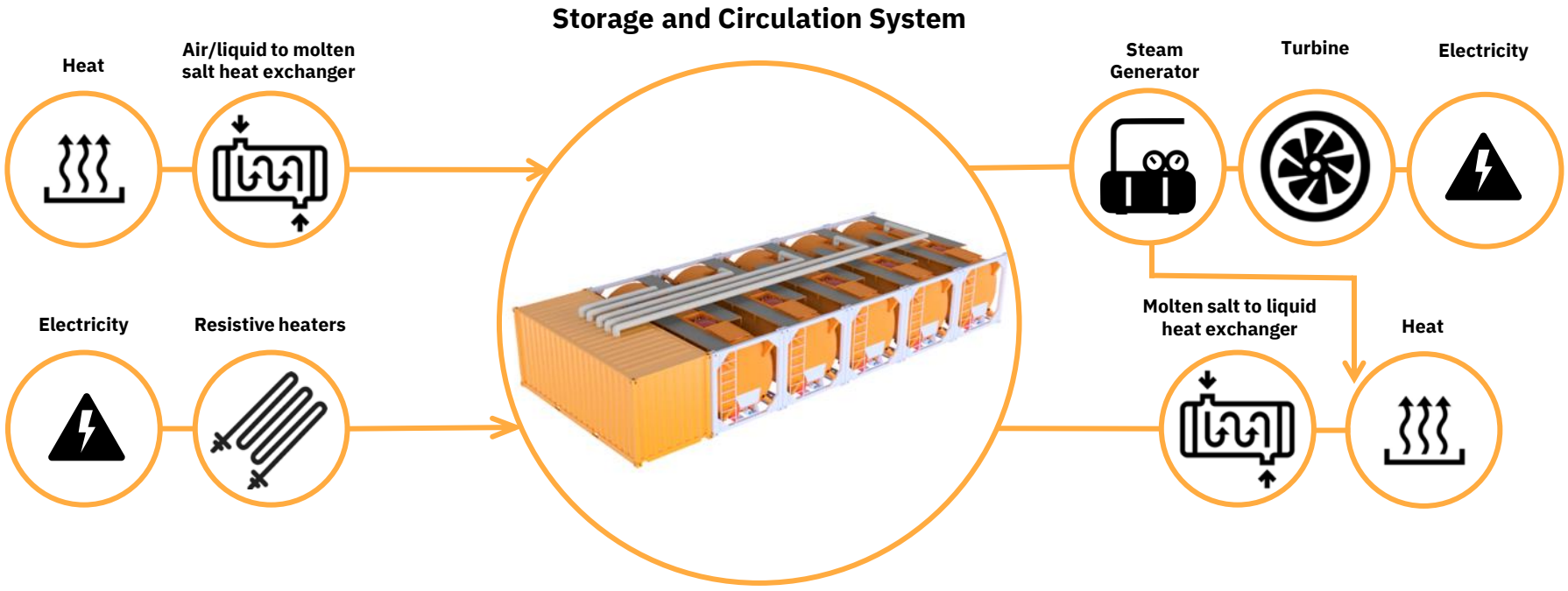


Illustration: Friis & Moltke Architects

Modular applications of the Heatcube

Same product, multiple configurations drive flexibility and reduce cost



Developing next generation Heatcube

Pilot

- Technology verification
- Test site for R&D

Generation 1

- First full scale proof of technology
- First commercial product

Generation 2

- Major technology improvement
- Designed for Manufacturing & Assembly

Heatcube base configuration

The Heatcube can be configured to meet customer's needs, one base configuration is:

- Charged by electricity in 5 hours during the night
- Deliver 5MW steam for 12 hours during the day

12 MW	60 MWh	5 MW
Charge capacity	Storage capacity	Discharge capacity

Operational update: projects and near-term pipeline

Pilot Heatcube

Accelerated to become sandbox for next generation Heatcube

- Confirmed the design for the first installation (NJV)
- Optimal environment for further technology development
- Testing on component and sub-system level, currently testing various pumps for the circulation system
- Run by experienced staff
- Short travel distance to Hønefoss from office in Lysaker

Nordjyllandsværket (NJV): Phasing out coal in Denmark

- Coal fired plant providing 1.4 TWh of heat and power per year
- Committed to phasing out coal by 2028
- Will save 400 000 tonnes of coal equivalent to 1 million tonnes of CO2
- Representing a significant portion of Denmark's CO2 emissions
- Installing Heatcube as part of verification program for new technologies to enable the transition

”Aalborg Forsyning wants to play a central role in the development and testing of new, green solutions.

The Heatcube will be the first installation in our green test center, so this is a key milestone for both us and for Kyoto Group.”

Jesper Høstgaard-Jensen, COO Aalborg Forsyning.

First commercial Heatcube contract with Aalborg Forsyning

Delivering Battery-as-a-Service to Nordjyllandsværket power plant

2019: Nordjyllandsværket to establish green test center

2020: Dialogue on design concept and configuration of Heatcube

2021: Kyoto and engineering partners begin construction

Nov 2021: Signing ceremony at Nordjyllandsværket

2020	2020/2021	2021	2021	2021
Dialogue initiated	Concept Development	Basic & Detailed Engineering	Public Procurement process	Contract signed

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Near-term prospects

Maturing multiple industrial prospects in Europe

- Metal industry: Heat supply and preheating
- Metal industry: Pre-heating & waste heat recovery
- Energy industry: Electrification of steam generation to phase out gas
- Metal industry: Waste heat recovery and electricity generation

Aurora energy research

Mid to long-term market opportunities

Opportunity pipeline: market potential in key markets

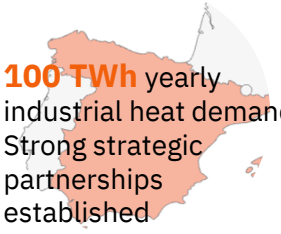
> 400 TWh, EUR 41 billion

- **8.9 TWh** yearly waste heat available
- Strong strategic partnerships established
- Several projects under evaluation

- **11 TWh** yearly industrial heat demand
- First installation under construction
- Strong strategic partnerships established
- Access to attractive electricity prices

- **98 TWh** yearly industrial heat demand
- Significant and increasing price volatility
- Speedy expansion of renewables
- Attractive electricity prices
- Supportive regulatory framework

- **227 TWh** yearly industrial heat demand
- Supportive regulatory framework



- **100 TWh** yearly industrial heat demand
- Strong strategic partnerships established
- Access to world-class TES* expertise
- Significant & increasing price volatility
- Speedy expansion of renewables
- Attractive electricity prices
- Supportive regulatory framework

TES = Thermal Energy Storage

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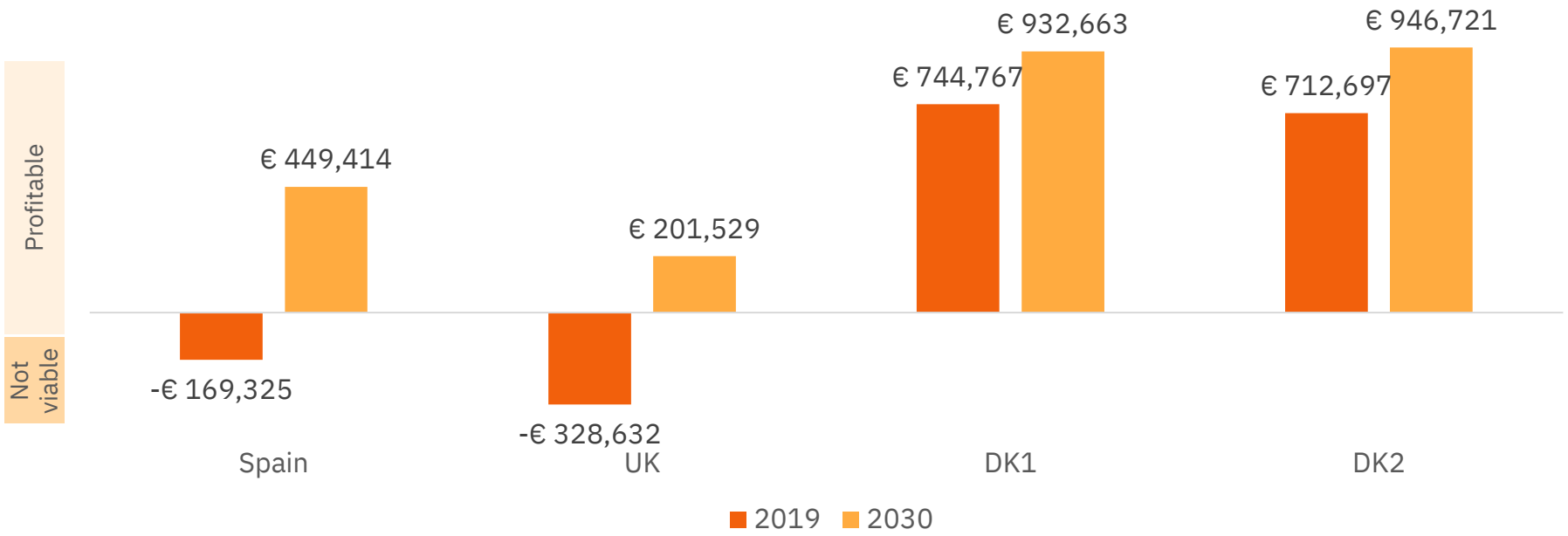
Already out-competing heat produced from gas in Denmark

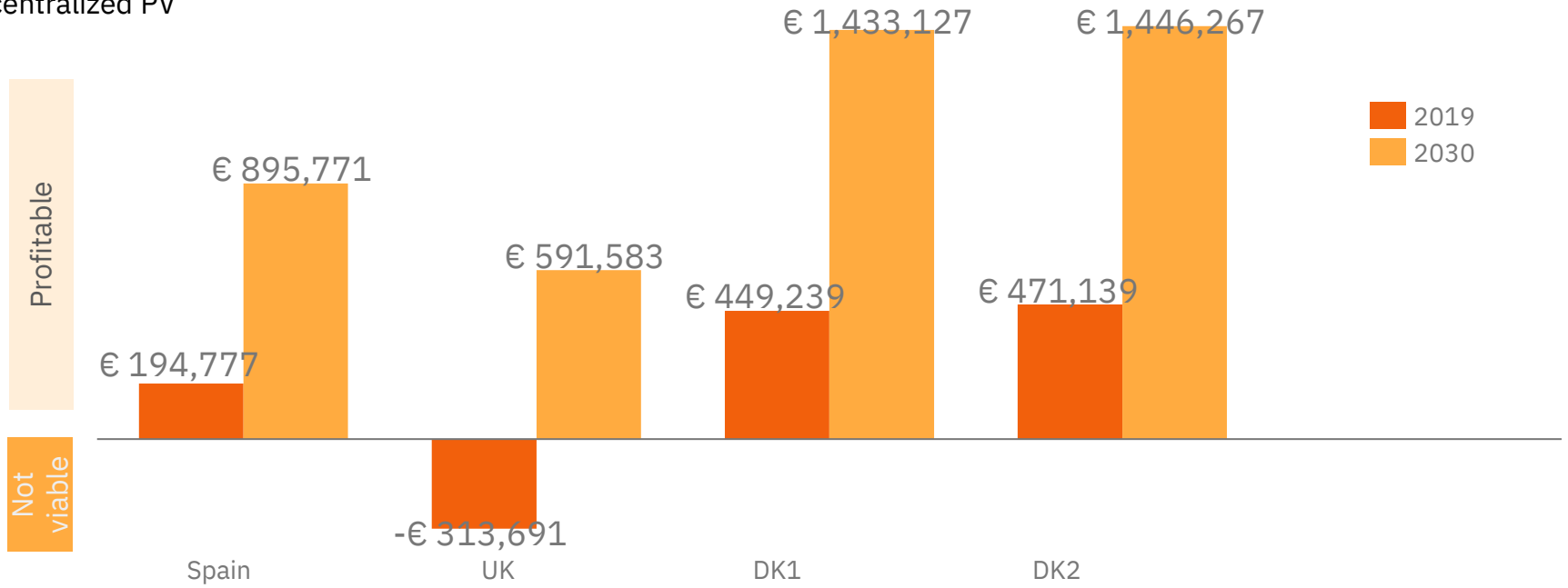
Case 1: Annual savings per country in configuration 1: 12 MW charging, 60 MWh storage, 5 MW discharge, charged with electricity from the grid



Source: THEMA Consulting

Charging by decentralized PV is improving the case further

Case 2: Annual Savings per country in Configuration 1: 12 MW charging, 60 MWh storage, 5 MW discharge, charged with decentralized PV



Source: THEMA Consulting

Ramping up to secure growth

From start-up to scale-up

Kyoto today

2016

Kyoto is incorporated
Focus on concentrated solar power and thermal energy

'19-'20

Product validation
Successful completion of one pilot installation in Norway

Hydro and Valinor join as industrial owners

Focus on thermal energy only

2021

The first order of a full-scale Heatcube™ module for commercial installation

Euronext Growth listing and NOK 183.8 million new equity H1 2021

New Board with industry and renewable energy competence

New CEO, CFO and interim CTO,
from energy sector

'22-'25

Pipeline of projects; organic and structural growth
A billion NOK revenue company by 2025

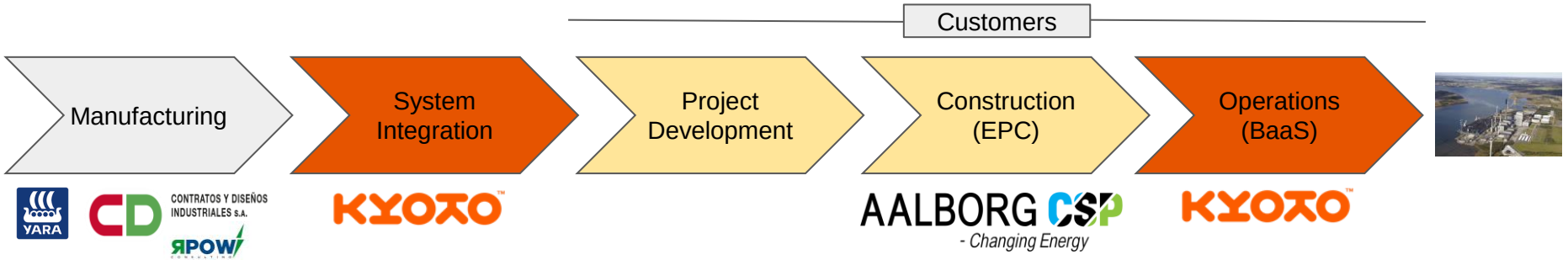
Strong position in competitive landscape

Kyoto position

- Proven technology (CSP)
- Modularized, fit for purpose in industrial context (size vs capex/opex)
- Offer the highest temperature among thermal / medium sized offerings
- Around 5 years payback time with optimal configuration (2025 target)
- Already out-competing heat produced from gas in strategic countries
- Strong focus and solid experience in integrating variable renewable sources

Kyoto positioning in the value chain

Strong partners and strategically positioned



Manufacturing

- Kyoto does not own manufacturing capacity, systems are specified as system integrators (solution engineering)
- Proprietary designed products manufactured on Kyoto specifications and sourced by Kyoto to key partners
- Off the shelf manufactured by multiple existing companies purchased at market terms

Project Development and Construction

- First 1-2 years Kyoto targets to develop all projects and manage EPC as a Build-Own-Operate structure
- Long term project development and EPC may be executed through partners & JVs close to individual markets
- Construction activities will be outsourced locally

Customers

- Short term all sales as a service (BaaS)
- Long term Kyoto also intends to sell through development partners and EPCs
- Kyoto will always own systems engineering as well as operational responsibility of the storage system (The EMS)

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Scaling up to meet increasing demand

New offices at Lysaker

Doubling the organization (to 25 FTEs) before year-end 2021

Moving into commercial phase

Clear strategy for long-term development of Kyoto

- Full focus on delivering the first Heatcube to NJV in Denmark with expected operations early next year
- Progressing leads in key markets in Denmark, Spain, UK, Germany and Norway
- Scaling organization organically and structurally to execute on growth strategy
- Developing next generation Heatcube Designed for Manufacturing and Assembly
- Strengthening network of strategic alliances into key markets

Targeting electrification of industrial heat at 200C to 500C temperatures

Key opportunities in the market for heat and energy

- Electrification of Industrial heat demand in chemical & petrochemical and construction industries
- Waste heat recovery in aluminum, iron and steel industry
- Pre-heating industrial processes in iron and steel industry
- Generation of electricity from waste heat recovery
- Utilizing market fluctuations by providing stabilizing activities

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Key developments towards 2025 targets

2021

- Pilot test finalized and converted to R&D center
- First commercial order signed
- IPO
- Doubling of organization
- 2022 pipeline maturing

2022

- First commercial installation
- Signing of several commercial orders, with large industrial companies
- Doubling of organization
- Explore M&A opportunities and financing

2023 - 2024

- Strong foothold in all strategic markets established
- Accelerating industrialization of the Heatcube
- Developed next generation Heatcube Designed for Manufacturing and Assembly
- Continued growth and expansion of the organization
- Increasing focus on profitability, approaching break even

2025

- Several hundred batteries installed
- >GW and several GWh available
- Solid profitability
- LCoSC < 20 EUR/MWh
- CapEx < 40 EUR/kWh
- A billion NOK revenue company

LCoSC = Levelized cost of Storage Capacity

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KYOTO™

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

Q&A

Appendix