SaltX increases the pace of investment in large-scale energy storage and carries out a guaranteed new share issue of SEK 105 million

The market for large-scale energy storage is accelerating rapidly. SaltX Technology therefore increases its efforts in the EnerStore application area, based on the Vattenfall project. The Board therefore proposes a rights issue of up to SEK 105.5 million, which is fully guaranteed through subscriptions by the main owners Industrifonden and Skirner AB and by a guarantee consortium.

"Bloomberg estimates $ 103 billion will be invested in energy storage until 2030. The world now relies on renewable energy and requires a cost-effective and sustainable way of storing energy. We therefore focus our resources and prioritize EnerStore. With Vattenfall as an important reference, we can increase the marketing of SaltX patented energy storage technology in our target markets Germany, the US and China, says Karl Bohman, CEO of SaltX Technology, and continues:

Other application areas continue in our SaltX LABS innovation platform, where product development is driven by our customers and partners such as Alfa Laval, Rheem and MCC. This share issue gives us the financial muscles needed as the energy storage market is taking further momentum."

SaltX full-scale EnerStore plant at Vattenfall's district heating plant in Berlin, to be commissioned later this year, will show how excess wind power can be stored in salt and then used as district heating. The purpose is to even out the peaks in the network when demand is high, for example during morning and evening, and thus to use the stored energy in the salt instead of burning coal, so-called peak shifting. SaltX ambition is to be an important component of Vattenfall's planned replacement of hard coal-fired boilers.

"*The EnerStore market strategy is clear; SaltX focuses on energy companies, companies and industries that need large-scale storage of renewable energy for peak shifting. Apple, Google and Volvo make long-term commitments to switch to completely carbon-neutral activities in so-called micro grids. To store energy on such a large scale, I estimate SaltX as the most competitive option*, "concludes Karl Bohman.

The company will soon publish an interview with CEO Karl Bohman.

The rights offer in brief

• In total, the Rights Issue amounts to max SEK 105.5 million before the issue costs through an issue of max 11,717,522 Units.

• Each Unit consists of one (1) Series B share and one (1) Series TO6 warrant.

• Reconciliation dayto participate in the rights issue is November 19, 2018

• Existing shareholder obtains one (1) unit right for each one (1) share held on the record date. Five (5) unit rights entitle to subscription of one (1) Unit in the Rights Issue.

• The subscription price in the Rights Issue is SEK 9 per Unit, equivalent to a price of SEK 9 per share. The warrants are issued free of charge.

• 100 percent of the total share issue amount has been secured through subscriptions from Industrifonden (SEK 25m) and Skirner AB (SEK 10m) and through a guarantee consortium for the remainder.

• Subscription in the Rights Issue can take place during the period from November 21, 2018 to December 5, 2018.

• Two (2) Series TO6 warrants entitle the holder to subscribe for one (1) new Series B share in the Company. The subscription price is SEK 20. Subscription of shares in the Company based on the Series TO6 warrants can take place during the period January 1, 2020 to October 31, 2021. Full subscription of the Series TO6 warrants would lead to the company obtaining about SEK 117 m.

• In case of oversubscribed issue, the Board can decide to increase the Rights Issue by max SEK 21.1 m through a directed issue of another 2,343,504 Units. Full subscription of the warrants under to over-allotment possibility would lead to the Company obtaining another SEK 23 m.

• The Board is proposed to be authorized to decide on issue of Units without preferential rights to enable compensation to the issue guarantors.

The full terms of the Rights Issue and information about the Company will be reported in the prospectus, which is expected to be published on the Company's website around November 20, 2018.

Dilution effect
With full subscribed Rights Issue, the number of shares increases by 11,717,522 shares from 56,162,551 to 67,880,073. This corresponds to a dilution of approximately 17.3 percent of both equity and voting rights in the Company for current shareholders. In addition, full exercise of the warrants under the Rights Issue will increase the number of shares by 5,858,761. This corresponds to a dilution of 9.4 percent of both the equity and voting rights in the Company for current shareholders.

In the case of a fully subscribed Rights Issue and full exercise of the Allotment Option, the number of shares increases by 14,061,026 shares from 56,162,551 to 70,223,577. This corresponds to a dilution of approximately 20 percent of both equity and voting rights in the Company for current shareholders. In addition, full exercise of the warrants under the Rights Issue and the Allotment Option will increase the number of shares by 7,030,513. This corresponds to a dilution of approximately 11.1 percent of both the equity and voting rights in the Company for current shareholders.

With full subscribed Rights Issue, full exercise of the Allotment Option and full exercise of the warrants under both the Rights Issue and the Allotment Option, the number of shares increases by 21,091,539 shares from 56,162,551 to 77,254,090. This corresponds to a dilution of approximately 27.3 percent of both the equity and voting share in the Company for current shareholders.

Authorization of the Board to decide on the issue of Units to Issue guarantors
The Board of Directors proposes that the Extraordinary General Meeting resolves to authorize the Board, on one or more occasions until the next Annual General Meeting, with or without deviation from shareholders' preferential rights, to decide on issue of Series B shares and Series TO6 Series warrants. The total number of shares that may be granted on the basis of the authorization may amount to a maximum of 704,576 shares and the total number of warrants that may be granted on the basis of the authorization may amount to a maximum of 704,576 warrants. The reason for deviation from shareholders' preferential rights is to issue shares and warrants to warrants in the Rights Issue. Payment is in cash or by cancellation.

Information to holders of warrants of Series TO2
The Company has decided that, in accordance with the terms and conditions of warrants of Series TO2, all option holders of Series TO2 will have the same preferential rights as shareholders to participate in the Rights Issue. The decision means that the warrants of Series TO2 will not be recalculated. In order for option holders in Series TO2 to be able to exercise this right, the subscription of subscription warrants must have been filed no later than October 31, 2018. For the holders of warrants of Series TO2 that have not submitted a subscription request on this date, the warrants from Series TO2 will cease to exist, with the right to participate in the Preemptive Issue will not exist.

Subscriptions and Guarantees
The Rights Issue is guaranteed to 100 percent through subscriptions from Industrifonden (SEK 25m) and Skirner AB (SEK 10m) and through issue guarantees from a guarantee consortium. Neither the subscriptions nor the issue guarantees are guaranteed by pledge, barrier or similar arrangement. No compensation is paid for the outstanding subscriptions. The guarantee fee is 9 percent of the guaranteed amount in the form of cash payment or in the form of payment with Units.

Extraordinary general meeting
Extraordinary General Meeting will be held on November 12, 2018 at 15:00 in Stockholm. Notice is published in a separate press release.

Preliminary timetable for the Rights Issue

- November 12, 2018 - Extraordinary General Meeting (EGM) for resolution on the Rights Issue.
- November 15, 2018 - Last day for trade including unit right.
- November 16, 2018 - First day of trade excluding unit rights.
- November 19, 2018 - Reconciliation Day in the Rights Issue.
- November 20, 2018 - Estimated date for publication of prospectus. Immediately after approval by Finansinspektionen.
- November 21 - December 5, 2018 - Subscription Period.
- November 21, 2018 - First day for trading in unit rights and BTA.
- December 3, 2018 - Last day for trading in unit rights.
- December 6, 2018 - Publication of preliminary results in the Rights Issue

Advisors
Law Firm Törngren Magnell is SaltX legal advisor and Eminova its emission agency in connection with the issue. FNCA is the company's Certified Adviser on Nasdaq First North Premier.

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About EnerStore
EnerStore is a large-scale energy storage solution that stores electrical energy and charges heat or steam for urban and / or industrial heating, making it possible to move energy to when needed most. The solution is based on SaltX patented nano-coated salt technology.

Renewable energy sources replace fossil fuels at high pace, and therefore, demand for balancing power, peak shifting and other technologies to offer renewable energy is growing when demand is high. Today, integration is increasing in many places of solar and wind power, while the need for heat and steam is high. In Europe, for example, over 50 percent of all energy supply to heat.

About SaltX LABS
SaltX Labs is the company's open innovative and collaboration platform, where both customer-driven development projects and open innovation are driven. The company's long-term vision is to deliver the patented nano-coated salt and knowledge around it. SaltX Labs is that vision in practice, but so far on a smaller scale.

Important information
This press release does not contain and does not constitute an invitation or offer to acquire, sell, subscribe or otherwise trade in shares, subscription rights or other securities of the Company. Invitation to interested persons to subscribe for shares in the Company will only be made through the prospectus that the Company intends to publish on the Company's website, following approval and registration by Finansinspektionen. The prospectus will include risk factors, financial information and information about the company's board of directors. This press release has not been approved by any regulatory authority and is not a prospectus. Investors should not subscribe or purchase securities referenced in this press release, except on the basis of the information that will be contained in the prospectus that will be published.

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Forward-looking statements
This press release contains certain forward-looking statements that reflect the Company's current views and expectations of future events as well as financial and operational development, including statements regarding the Rights Issue, and statements regarding guidance, planning, prospects and strategies. Words that are "referred", "expected", "expected", "planned", "estimated", "can", and other expressions that imply indications or predictions

about future developments or trends, and which are not based on historical facts, are forward-looking information. Although the Company believes that these statements are based on reasonable assumptions and expectations, the Company can not guarantee that such forward-looking statements will be implemented. As these forward-looking statements include both known and unknown risks and uncertainties, real outcomes can differ substantially from what is stated in forward-looking information. Prospective statements in the press release only apply at the time of the press release and may change without notice. The Company makes no commitment to publish updates or revisions of forward-looking statements as a result of new information, future events or the like beyond what is required by applicable laws or stock market regulation.

This information is such information as SaltX Technology is required to disclose under the EU Market Abuse Regulation. The information was provided, through the contact of the above contact person, for publication on October 25, 2018 at. 08.00 CET.

Stockholm, 2018-10-25