

Kyoto signs MoU with world-leading renewable energy company to decarbonize industrial heat

Oslo, Norway 20 April 2023 - Kyoto Group and a world-leading renewable energy company will cooperate on introducing Kyoto's thermal energy storage solutions to industrial customers and have already submitted co-developed offers to several specific customers.

"This is a game-changer for Kyoto. It fits perfectly into our strategy of collaborating with energy companies, and this company is a global leader in renewable energy with very ambitious targets and investment plans. The company has identified industrial heat as a key investment area and has a huge base of industrial customers who will benefit from combining wind and solar power with thermal energy storage," says Camilla Nilsson, CEO of Kyoto Group.

The company, one of the world's largest electricity companies by market capitalization, plans to market Kyoto's Heatcube thermal energy storage solution as green industrial heat and will purchase Heatcubes from Kyoto to provide heat as a service (HaaS) to customers. Kyoto will then offer services related to Heatcube under a service agreement. Heat stored in Heatcube may be combined with electrical energy with guaranteed renewable origin from the company's portfolio.

"We accelerate the electrification of our energy systems through investments in clean generation and energy storage, which is crucial as variable sources such as wind and solar constitute an increasing share of the energy mix. For industrial customers that need stable process heat, Kyoto's thermal energy storage solution is an attractive way to decarbonize," says the Head of Industrial Decarbonization of the company.

The memorandum covers specific customer projects in the pulp & paper, food, and construction materials industries.

"This strengthens our current pipeline, which we will continue to grow through partners and direct dialogues with industrial end-users and accelerates our market breakthrough. The combination of the opportunities presented by this company and our other channels to the market means we are confident that we will progress to commercial agreements in 2023," says Nilsson.

Kyoto's Heatcube provides thermal energy storage and heat generation in one product. It supplies industrial customers with the technology needed to lower both their costs for producing process heat



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and their CO2 emissions through the use of intermittent renewable energy sources instead of fossil fuels for heat production.

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

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About Kyoto Group

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

About the renewable energy company

The company is a global energy leader and one of the largest electricity companies by market capitalization. The company has accelerated the energy transition in order to combat climate change and supplies energy to millions of people in different countries.