

**INMENCO**  
INNOVATIVE ENERGY CONCEPT

# Important information

## GENERAL

All information described in this document should be carefully considered and, in particular, the risks described below. If any of the following risks occur, the Group's business, financial position, prospects, and share price can be significantly affected to the Company's detriment. The Group, the shareholders, and you can lose all or part of your investment. All risks that the Board members are aware of at the time of preparing this document and which they considered to be material are listed below in the section "Risk factors." The risks reported below are listed without mutual order and are not ranked according to importance. However, additional risks that are not currently known to the Board members or that the Board members currently consider to be irrelevant may also have a significant impact on the Group's operations, financial position, and prospects. Any investments in shares are subject to a number of risks. Therefore, potential investors should carefully consider all the information in this document and, in particular, the risk factors described below before making any investment decision. Some of the following factors mainly relate to the Group's operations and the sector in which the business is conducted. Other factors mainly relate to investment in shares. Therefore, each shareholder and potential investor must make an overall assessment that includes information in the rest of the document and a general external assessment.

## FUTURE INFORMATION

The forward-looking statements contained in the Overview reflect the Company's current views on future events as well as financial and operational developments and apply at the time of publication of the Overview. Although the Company considers that the expectations described in such forward-looking statements are reasonable, there is no guarantee that this forward-looking information will be realized or proved to be correct. Future-oriented information is always associated with uncertainty as it relates to and depends on circumstances outside the Company's direct and indirect control. Prospective investors are therefore invited to take note of the overall information in the Overview, considering that future results and development may differ materially from the Board's expectations. Any assurance that assessments made in the Overview regarding future conditions will be realized will therefore not be provided, either explicitly or implicitly. The Company also makes no commitment to publicly update and/or revise forward-looking statements as a result of new information, future events or other things beyond what is required by law.

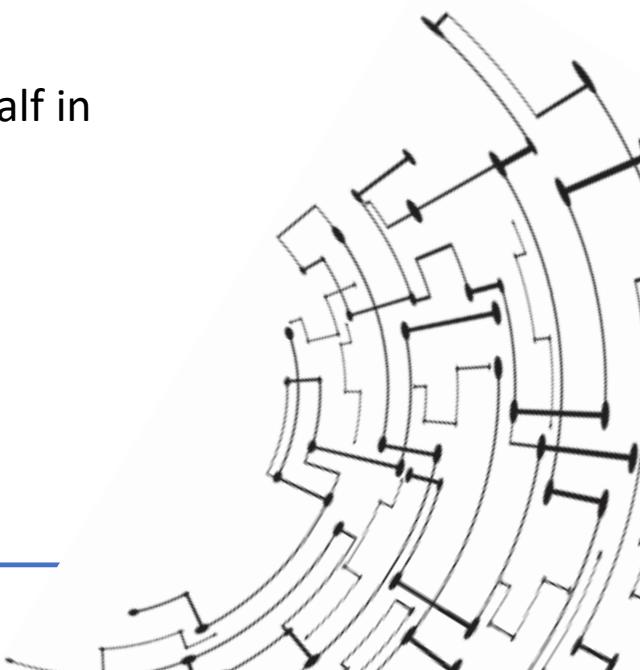
## THIRD PARTY INFORMATION

The Overview contains information obtained from third parties. All such information has been reproduced correctly. Although the Company believes these sources are reliable, no independent verification has been made, so the accuracy or completeness of the information cannot be guaranteed. However, as far as the Company is aware and can insure by comparison with other information published by third parties from whom the information was obtained, no information has been omitted in a manner that would render the reproduced information incorrect or misleading.

# **Invest in the future of energy**

We have a patented system that is based on over 35 years within technology and energy solutions that is manufactured in our own factory.

We make it easy and profitable to cut the energy consumption in half in any building.



# Innenco as an investment

Innenco is an innovative company that combines science, technical solutions, and thermal energy storage to meet the vast demand for low-energy buildings, communities, and entire cities worldwide. The concept cools and heats any building, community, or city, with less energy through an ecosystem of products connected by the patented distribution system . It is a durable system that is easy to implement and fully compatible with ISO standards, EU directives, green buildings, and smart city standards providing excellent results in both warm and cold climates.

Innenco is now in a phase where the Company intends to launch its Net-Zero technique internationally to address the need for sustainable buildings and taxonomy requirements and help real-estate developers increase the value of their real estate. Innenco will work with architects, real estate developers, consultants and solution providers, construction companies, energy companies, governments, and linked agencies to roll out the Innenco Net-Zero concept globally.

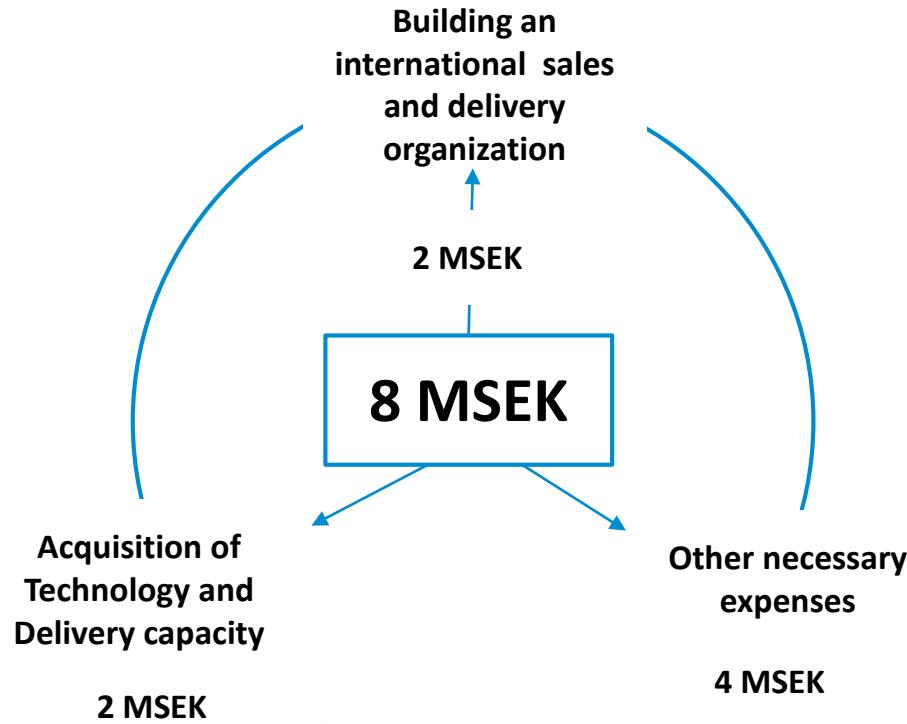
## Investment summary

This investment will secure and accelerates commercial growth to generate positive cash flow and net profit. An acquisition will also ensure the in-house solid supply chain and delivery facility to secure business continuity. Furthermore, the investment will be used towards other operational cost as well. Lastly, this investment will add additional revenue streams and potential patent filings due to new product lines within the target company.

## The offer in summary:

<b>Target company:</b>	Innenco Sweden AB (publ) Total number of shares before the new share issue: 116 182 142
<b>Type of security:</b>	Common A stock
<b>Total volume:</b>	25 000 000 Shares (8MSEK)
<b>Price per share:</b>	<b>0,40</b> SEK
<b>Timeline:</b>	November - December 2022
<b>Assignment &amp; payment:</b>	Payment for assigned share is due no later than Dec 10 <sup>th</sup> 2022. Shares will be allocated at Company's discretion once the share issue has been completed and the filed with the Swedish Company houses, estimated 10 Jan. 2023

# Use of funds



## Strengthened ability for future growth

Historically the primary investments have been improving the company's portfolio of intellectual property in Sweden and strengthen the organization of the company.

As Innenco is now entering a phase, ready to secure and accelerate the commercial growth to generate positive cash-flow. The investment will also secure the in-house solid supply chain and delivery facility.

## Acquisition of technology and delivery capacity

The assembling facilities in for Innenco Active Elements require investments for increased capacity. By acquiring an existing manufacture and technical consultancy Innenco will secure all steps in the delivery and supply chain, removing all dependencies and market fluctuations.

## Key employees and management

To improve the growth prospect and prepare the company for growth, the company seeks to expand its organization overall with new key employees primarily within sales and delivery functions.

## Other necessary expenses

The company has and will have miscellaneous expenses related to the organizational operations.

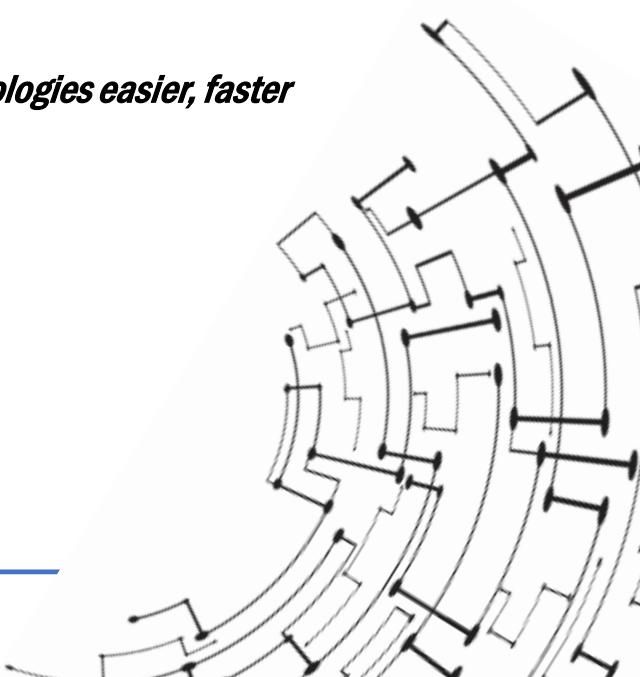
# Ingress

Even though the pandemic, the war in Ukraine as well as inflation and higher interest rates are the current most tangible news for all people in the world, the overall biggest constraint for living a good life in the future is the management of the ongoing climate change.

Energy efficiency is one of the most important actions to rapidly stop the increase of CO<sub>2</sub> in the atmosphere where Innenco has a role to play.

*Statement from the International Energy Agency (IEA)*

***Energy efficiency is the “first fuel”, meaning success here will make the decarbonisation of all the other sectors and technologies easier, faster and cheaper. Basically, use and waste less energy.***



# Mission - Vision - Business Idea

## **Mission**

Contribute to a climate that secure a high quality of life for future generation. We need to see the planet as a source for life not an endless resource.

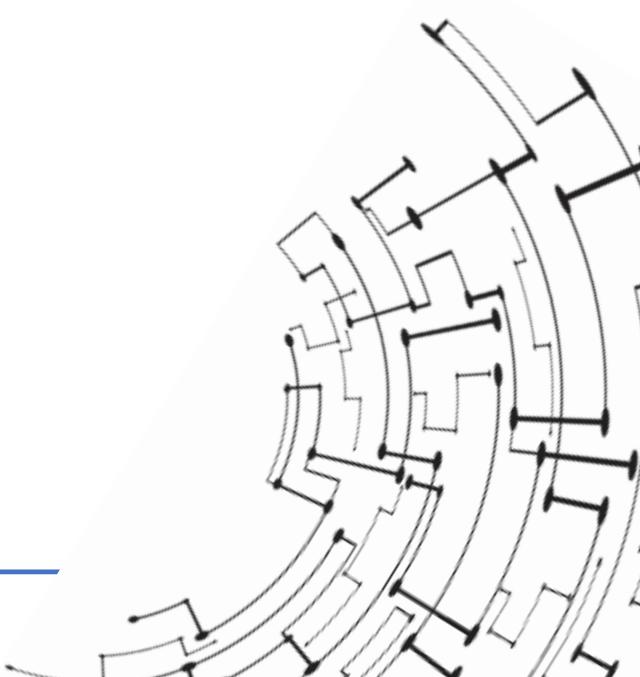
## **Vision**

Offer the best circular economy concept within energy efficiency for real estates.

## **Business idea:**

It should be simple and profitable for real-estate owners to be climate natural through our energy system.

We attract all types of real estate owners by offering them highly competitive solution for heating and cooling real estates. We strive to establish long term partnership with clients that focus on lowering their climate footprint as much as increasing their real estate values.



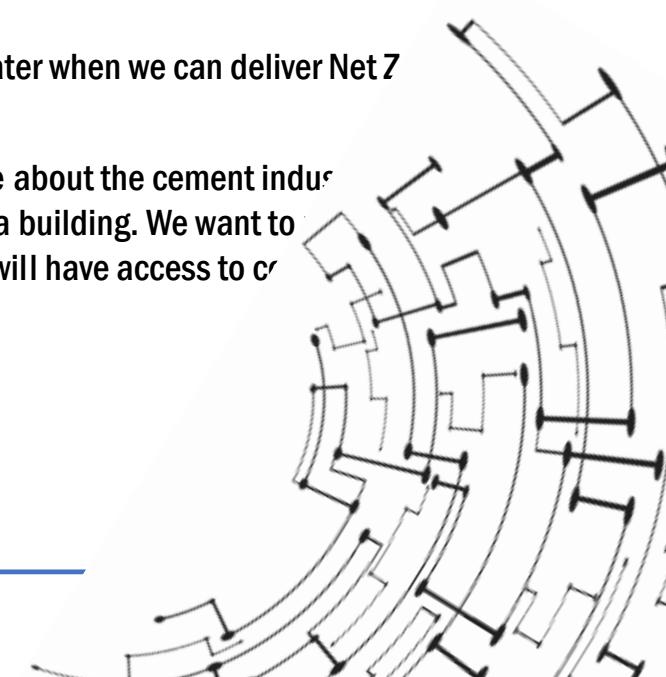
# Strength's & Long-term goals

## Strengths:

- A palette of solutions to deliver Net Zero energy buildings, including patented technology with proof of concept. The result around 10 kWh per m<sup>2</sup> lower the investment to generate the same amount of energy on each site.
- Solutions for both new construction as well as retrofitting.
- Experienced team.
- Constant evaluation of external solutions and partnership to strengthen our own concept.

## Long term goals:

- That government's environmental goals are met several years earlier than current directives stipulate – why wait to 2030 or later when we can deliver Net Z buildings today.
- We take a holistic approach to our business which among many things imply that it is important to follow the current dialogue about the cement industry because cement is one of the most environmental hazard material there is and the most effective material to store energy in a building. We want to move towards environmentally concrete where our energy system generates most effect. As well as, ensure that Innenco buildings will have access to c



# Market drivers

## Governmental legislation for energy efficiency

- EU is tightening the legislation by going from nearly-zero to *Net-Zero Energy Buildings* (NZEB) in:
  - 2027 for non-residential new buildings
  - 2030 all new buildings
  - 2050 for all existing real estate
- Demanding retrofit plans in 2030, 2040 and 2050 for all members states to achieve above targets
- In the US, California has set the NZEB goal to be fully implemented by 2030.

*Note: The 1.5 °C target is the goal of the Paris Agreement, which calls for countries to take concerted climate action to reduce greenhouse gas emissions in order to limit global warming.*

## Finance

- Rapidly increased energy prices
- Decreased operating net and real estate investor return

## Other

- In EU buildings account for 40% of the energy consumption and 36% of all CO<sub>2</sub> emissions.
- UN 17 Global Goals for Sustainable Development put focus on clean energy and water as well as sustainable buildings.

## Taxanoimi



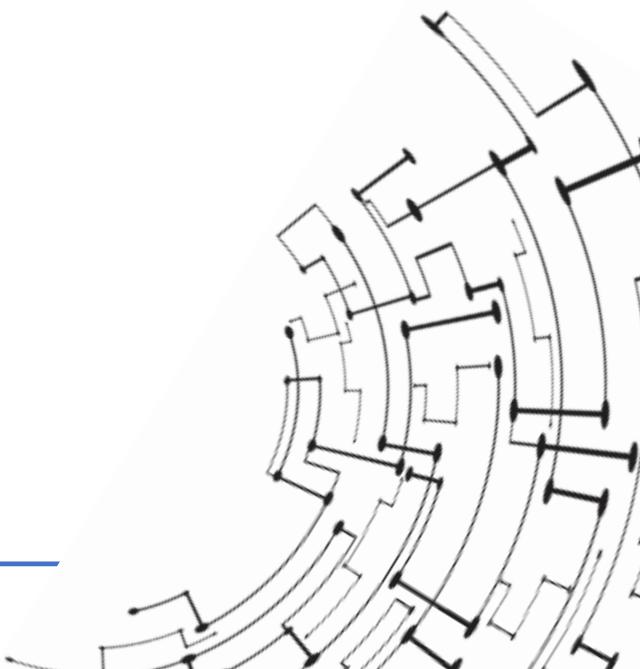
# UN Sustainable development Goals (SDG)

## THE GLOBAL GOALS For Sustainable Development

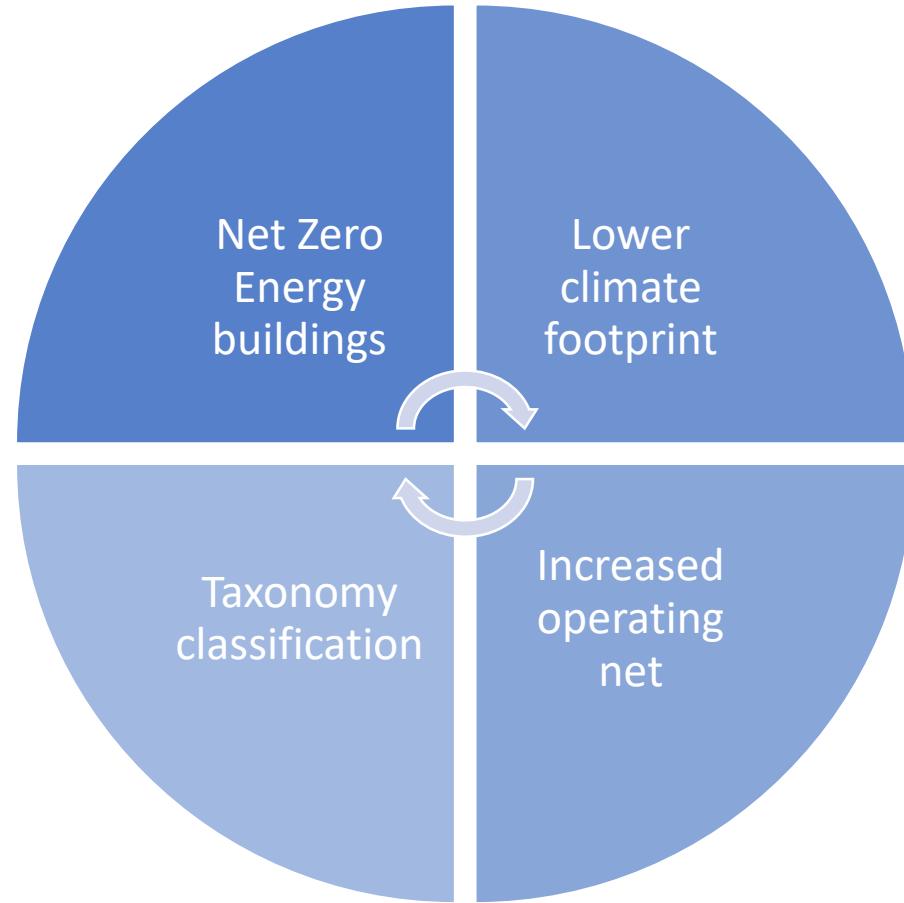


Innenco supports the following SDG goals:

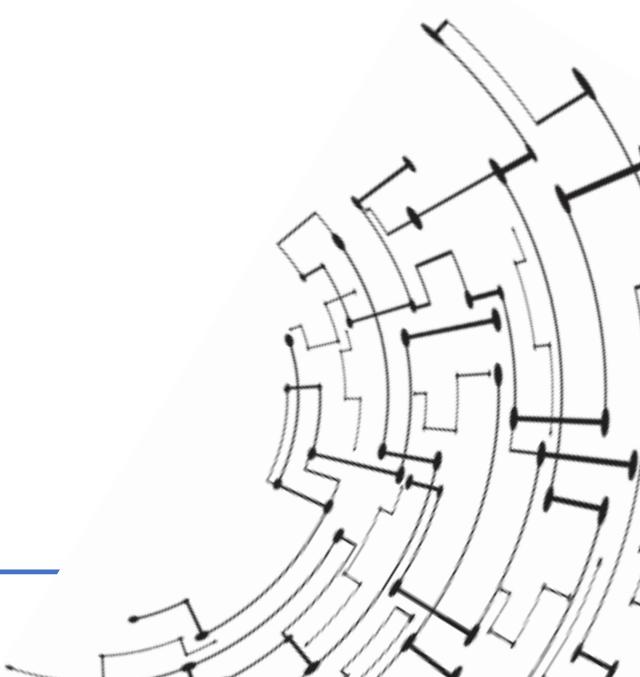
- 6 Water use efficiency
- 7 Increased energy efficiency
- 9 Reduced CO<sub>2</sub> emission
- 11 Sustainable cities



# Client values



Innenco makes it simple and profitable to be climate neutral!



# Our system

We have a patented solution that is built on over 35 years of experience within energy systems and technology that is ensembled in our own manufacturing plant.

We have a holistic approach that solves the usual energy conflicts that occurs in any building.

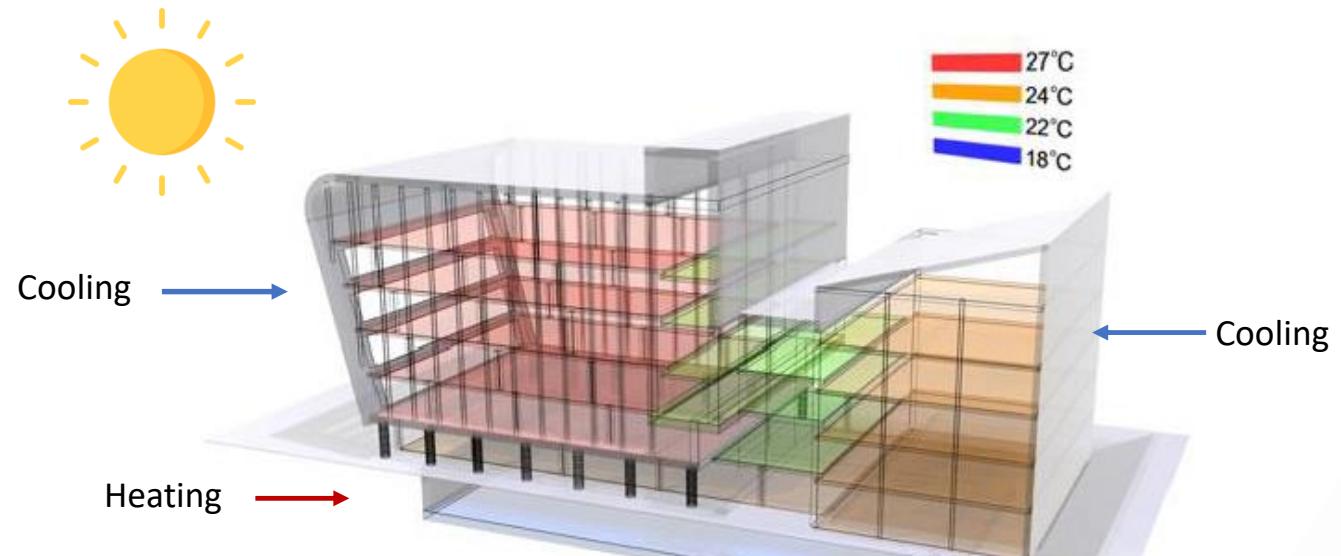
This results in extremely low energy consumption for both heating and cooling.



# The standard way of heating & cooling

There are usually 3 technologies that uses 3 different energy forms that does not work together;

- Heating
- Cooling
- Ventilation



When it is hot the heat source is shut down and cooling source is turned on, and vice versa – constantly energy to balance the temperature.



# Our concept

Why add energy when you can redistribute it?

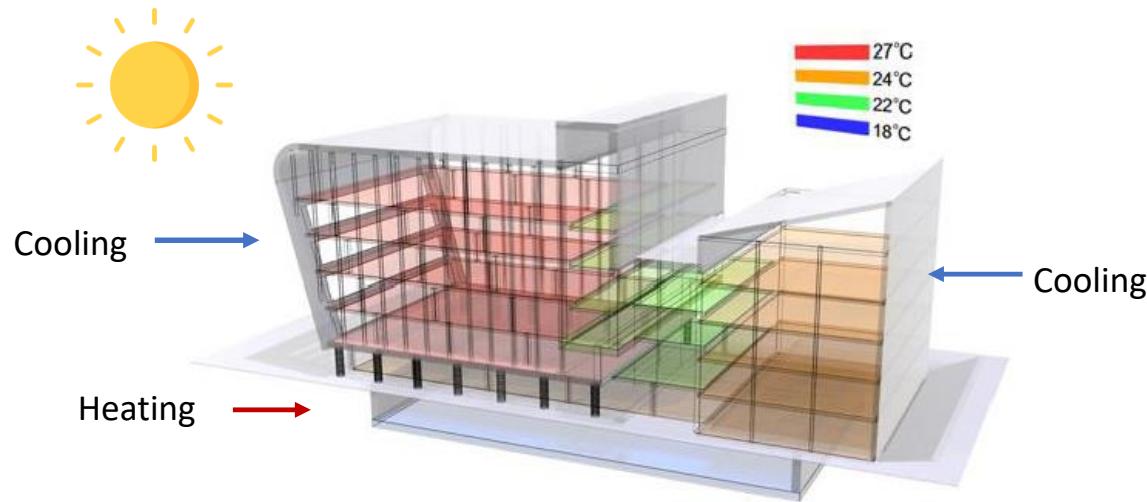
Our system redistributes the excess energy to other zones where that is needed instead of adding new energy to balance the temperature.

The system transforms fast energy to slow energy to enable thermal energy storage using the construction of the building as a large energy battery.



# Our concept

The Innenco system enables redistribution excess energy by balancing up existing energy sources.



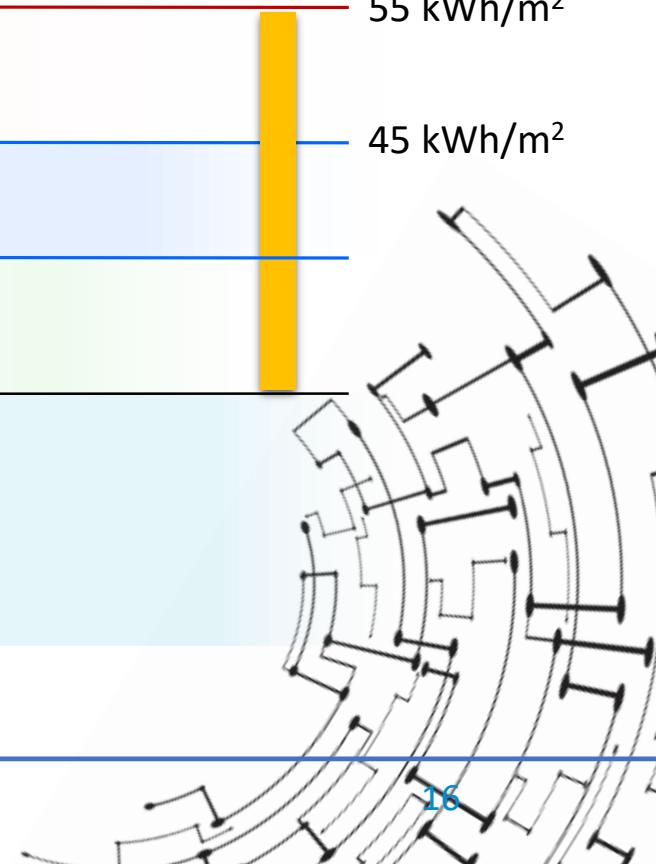
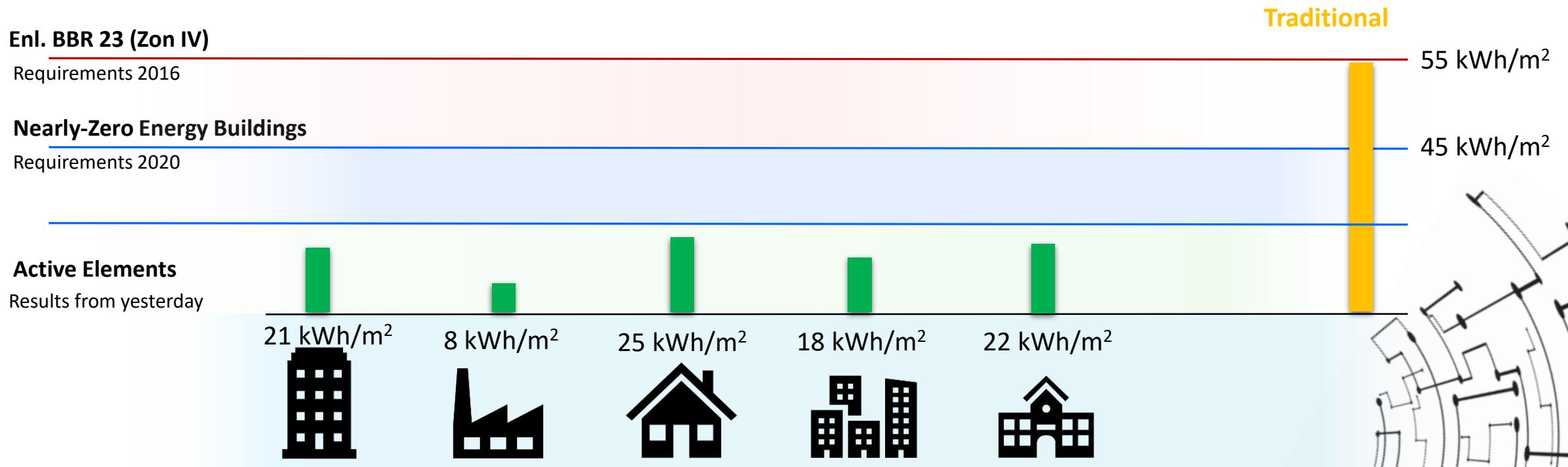
Passive house standard 50 kWh / m<sup>2</sup> / year



Innenco house standard 10 kWh / m<sup>2</sup> / year

# Energy efficiency

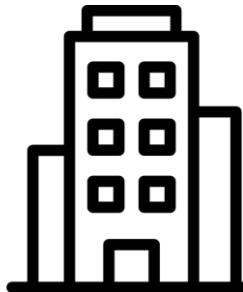
Well below the Nearly-Zero EU requirement – less than half in most cases\*



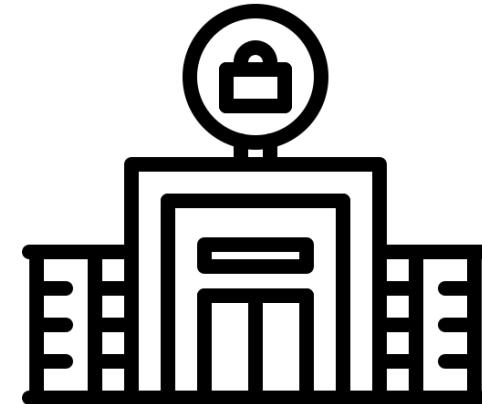
Perspective what the energy saving with our system does for the climate – the savings we make is equivalent to:



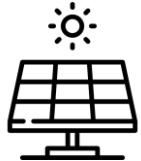
200 m<sup>2</sup> vila



10 000 m<sup>2</sup> office building



35 000 m<sup>2</sup> Buildings



21 solar panels annually

435 solar panels annually

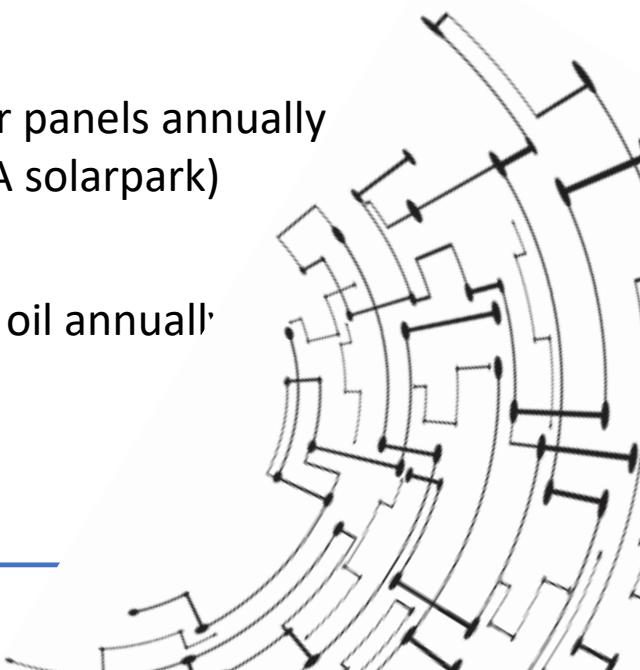
1530 solar panels annually  
(Approx. A solarpark)



2 cubic oil annually

35 cubic oil annually

122 cubic oil annually



# The market and focused industries

## Initial Market Segment

Scandinavia and Europe will be the markets that Innenco focuses on in 2022-2024.

## Initial Target group

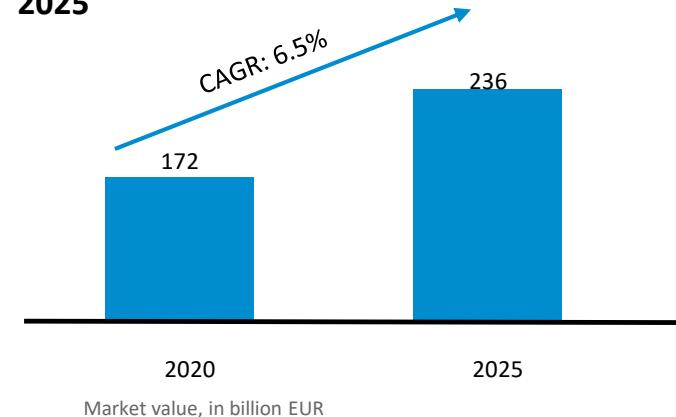
Commercial real-estate and Industrial constructions such as data & logistical centers.

In Sweden alone, there are over 15 large-scale industrial construction builders. The top six more than 100 000 m<sup>2</sup> each per year.

## Geographical expansion

The geographical expansion strategy is dependent on the approved IP protection, and Innenco will prioritize expansion to regions where the IP is protected.

HVAC market growth from 2020 to 2025



- The global Heating Ventilation and Air Conditioning (HVAC) system market is estimated to reach € 236 billion in 2025.
- Growth rate, CAGR, is expected to be above 6%.

# Market: Swedish building market 2023

Sektor (Mdkr)	2020	2021	2022p	2023p
<b>Bostäder</b>	<b>248,4</b>	<b>276,0</b>	<b>283,2</b>	<b>254,9</b>
<i>Nybyggnad</i>	122,5	145,0	153,0	126,9
<i>Ombyggnad</i>	96,2	101,3	100,9	99,2
<i>Fritidshus</i>	10,9	11,4	11,3	10,7
<i>Transaktionskost.</i>	18,8	18,3	18,1	18,1
<b>Lokaler</b>	<b>179,3</b>	<b>177,0</b>	<b>178,0</b>	<b>155,3</b>
<i>Privat</i>	112,7	113,7	114,5	99,1
<i>Offentligt</i>	66,6	63,4	63,5	56,2
<b>Anläggningar</b>	<b>119,6</b>	<b>98,4</b>	<b>93,3</b>	<b>79,5</b>
<i>Privat</i>	57,4	45,1	43,8	38,9
<i>Offentligt</i>	62,2	53,3	49,5	40,6
<b>Summa Bygginvestering</b>	<b>547,3</b>	<b>551,4</b>	<b>554,4</b>	<b>489,7</b>
(%förändring)	(0)	(1)	(1)	(-12)

Approximately 458 MdKR in the segments Innenco is active.

Byggföretagarna Konjunkturrapport April 2022)

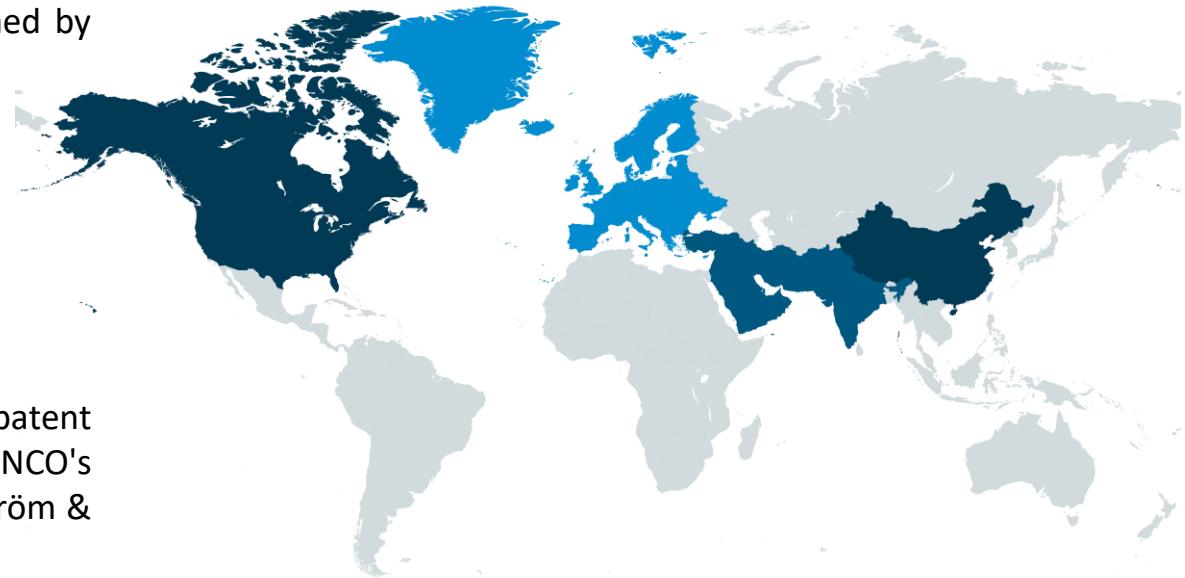
# Patent portfolio

Innenco uses Ström & Gulliksson as the strategic partner for the daily and long-term management of the group's IPR portfolio. Further, all patents are fully owned by Innenco.

Our successful patent strategy has resulted in;

- Patent granted in Sweden & China
- Patent pending in Europe & India (estimated approval 2022/23)
- Working progress to file additional patent families & geographical areas

Ström & Gulliksson is also complementing and strengthening the existing patent portfolio with additional IP strategies, markets, and scope of protection. INNENCO's long-term strategy is to acquire and develop new patents in dialogue with Ström & Gulliksson experts.



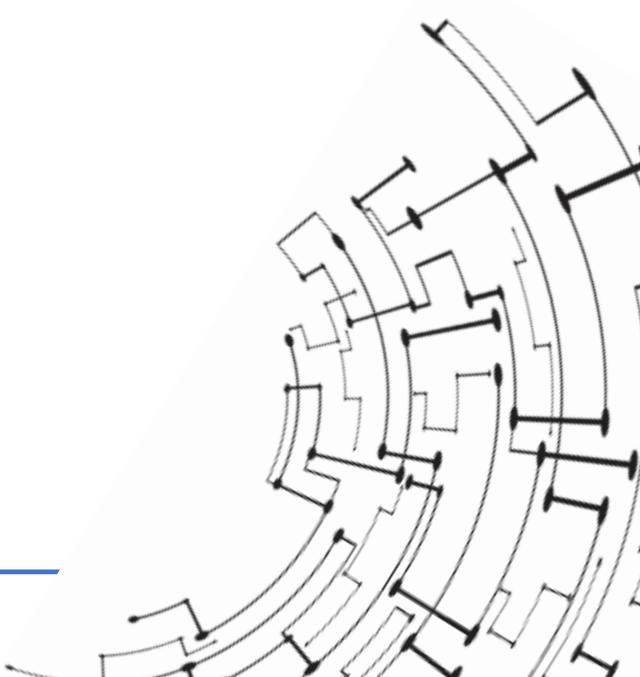
# **Business case (based on Swedish market only)**

High Growth driven by market demand, superior solution and regulations

Market focus and System sales ensure good Gross Margin and EBITDA scenario

Already 25 MSEK in offers for 2022 in the market

Highly scalable business model  
80 MSEK in Turnover equal to roughly 107 000 m<sup>2</sup>, or 30 mid sized warehouses/ 2,5 sales per month



# Proforma

Financial outlook (KSEK)	2023E	2024E	2025E	2026E	2027E
Revenue	42 000	50 200	78 300	146 000	250 000
COGS	-23 000	-26 000	-40 700	-73 000	-125 000
<b>Gross Margin</b>	19 000	24 200	37 600	73 000	125 000
GM%	45%	48%	48%	50%	50%
Revenue growth	N/A	20%	55%	86%	71%
EBITDA	6 727	8 706	9 606	31 100	64 100
EBITDA %	16%	17%	20%	21%	25%
Net earnings	6 727	8 706	9 606	31 100	64 100

Margins are verified from 30 years of operations at target company (small scale).  
 Large scale operations will further increase the margins due to lower purchase prices based on larger volumes.

## Comments and clarifications:

### Growth:

- The company expect 2023 and 2024 to be primarily Scandinavia focused.
- Further growth is built as geographical expansion is achieved.
- As sales focus is on commercial and logistic developments (area >1 000m<sup>2</sup>) forecasted growth is on the conservative side.

### Gross Margin:

- The “precautionary principle” has been applied to the Gross Margin from 2024 and onward to reflect growth in markets with higher volumes but lower prices.
- Focus is still on *Value Selling of the system solution*, rather than its parts.

### Personnel:

- Strengthen by strong patent and supply chain control the company can now focus on *Sales*.
- Key personnel will be employed to canvas interest and lead projects and implementations.
- Focus will also be on building and educating an agent/installer network.

# Financial outlook

## High Growth and EBITDA scenario

The company estimates a significant growth for the coming five years and onward. Primarily driven by the strong sales focus of a superior, patented solution and high, and increasing, global market demand. Focus the initial years will be the Scandinavian markets, characterized by a high Gross Margin.

Our business model and solution is robust and scalable so as we pursue larger markets and drive growth, we will retain a good GM in the range of 60%. Already in 2023 the company will have a healthy EBITDA which will continue to grow as we enhance our offering with superior system solutions and offerings.

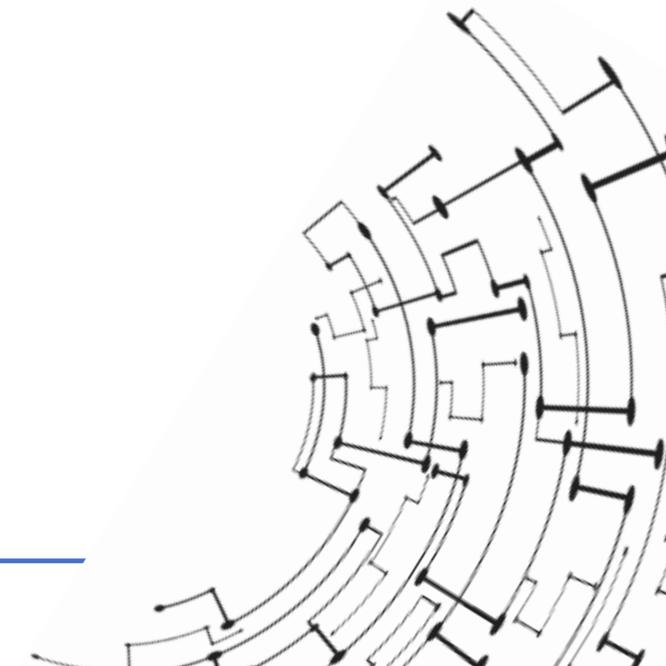
As the target is to sell energy solution and systems, rather than individual parts, the invoicing model can also be structured around actual savings and achieved results. This will leave room for further innovation and pricing power.

# Summary

Innenco provides very low energy consumption for cooling and heating any real estate.

The company has a large growth potential and a possibility to affect the standards for energy solutions in constructions.

The largest challenge – securing the delivery capacity



# Management

## **OWE PETTERSSON, CEO**

Owe has a degree in business finance and has made a journey from insurance and banking to one of the world's 100 most innovative companies. He has also worked as an advisor and consultant to entrepreneurs with financing, energy solutions, and world food security issues. He has had responsibility for 80 billion in cash flows, been Vice President with responsibility for starting up a bank from scratch, and as a business leader for a world-leading innovation company in an international arena with an extensive network in business, politics, and authorities.

## **PETER MÅRTENSSON, CCO**

Peter has a proven executive management track record and over 15 years of experience driving growth companies both internationally and nationally. He brings extensive experience in strategy and business development, leadership for scaling business and organizations, Go-to-Market, marketing and sales focusing on aggressive market penetration and management development, attracting essential resources, and ramping up organizations. He has worked as Head of Sales in Europe's largest energy company with focus on New Solutions and Solar and held various Sr. Management roles in growth companies both startup as well as Fortune 500.

## **JOHAN HEDVALL, CTO**

Johan has more than 20 years of experience in the construction energy calculations, control systems and heat pump developments. He brings extensive experience from the HVAC industry, energy storage and product development. While running his own energy consulting company he managed to cut the energy consumption with 50% for over 800 customers.

# Board of directors

## **JAN TÖRNER, CHAIRMAN OF THE BOARD**

Jan has gained, throughout his career, a broad and excellent experience within Financing & Sharing issues (IPOs), Fundraising (commercial and EU projects), and Business development. He has a background in feasibility studies, project appraisals,, lease management and project development of commercial, residential, infrastructural and industrial projects. He has held several Sr. Management positions both in private as in public companies, such as CEO for Swedish Airport Infrastructure AB, CEO of an Engineering company listed on Nasdaq OMX First North, and Senior Investment manager in the property sector.

## **TUULI SAARELA**

An international commercial lawyer skilled at legal counseling, negotiation, contracts, and compliance. Member of the Ghana Bar Association and the Finland Association of Lawyers (Lakimiesliitto). She has experience with internationalization being the Director of the Finish Business Council of West Africa and holding various other Sr. Management roles throughout African region.

## **PETER MARTENSSON FLOREA**

Peter has a proven executive management track record and over 15 years of experience driving growth companies both internationally and nationally. See Appendix - Management (previous page) for further details.

# Strategic partners & advisors

Corporate advisors &  
Banking partners



Legal advisors



Other business advisors

瑞華商會

Swedish Chinese  
Chamber of Commerce

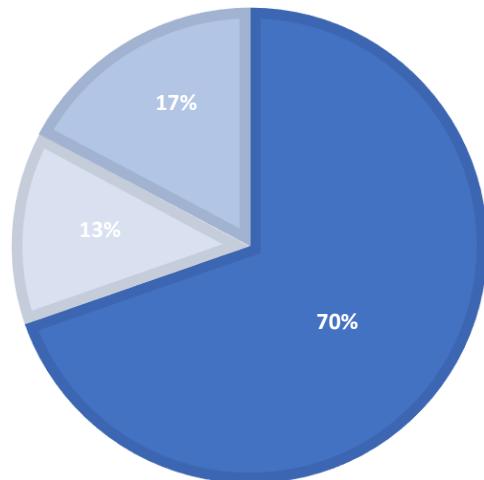


# Ownership prior to share issuance

## High level of insider ownership

The ownership of the company is, prior to share issuance, as follows:  
Approximately, 70% of the shares are owned by the 13 founders, 13% of the shares are owned by the seed investors, 17% First round investors totalling roughly 590 different share holders.

■ Founders      ■ Seed Investors      ■ First Round Investors



## Share information

Total shares: 116 144 476  
Type of shares: A  
Current Share ledger: Euroclear  
Total share holder: 587

