

KULR Technology Group, Inc.

Fact Sheet

KULR Technology Group, Inc., designs, develops and commercializes high-performance thermal management and test technologies for batteries, electronics, and other components across an array of applications. Currently, its main focus is a total solution to battery safety by which it aims to mitigate the effects of thermal runaway propagation. It also targets and provides thermal solutions for the following applications:

- Electric transportation i.e. EV, E-plane, E-bike, etc.
- Energy storage for commercial markets
- Cloud computing • 5G communication technologies
- Directed energy weapons and high-power missile defense programs
- Aerospace and Spaceflight



Its proprietary, core technology is a carbon fiber material that provides what we believe to be superior thermal conductivity and heat dissipation for an ultra-lightweight and pliable material. Leveraging its advanced cooling solutions, developed through longstanding partnerships with NASA, the Jet Propulsion Lab and others, its products and services make commercial battery powered products safer and electronics systems cooler, and lighter.

KULR's proprietary carbon fiber-based solutions are generally more thermally conductive, lighter weight, require less contact pressure, and offer greater design flexibility and durability compared to traditional solutions. A carbon-fiber solution to heat management works particularly well because it conducts heat many times better than metal, is significantly lighter, does not need to be attached mechanically, and "melts" at a much higher temperature.

As a result, we believe KULR has solid potential to offer a unique value proposition to customers in the multibillion-dollar thermal management industry. KULR also has an exclusive perpetual license from NASA for a critical component used in Lithium-ion ("Liion") battery testing, known as an internal short circuit.

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Market Size

Litchfield Hills Research estimates the total available market for KULR products and services is approximately \$8 billion. Lithium-Ion Battery, Energy Storage and Battery Transportation Market. According to Prescient & Strategic Intelligence, Lithium-Ion battery market was valued at \$34 billion in 2018, the global lithium-ion battery market is projected to surpass \$106 billion by 2024, with a CAGR of 21.8% between 2019 and 2024. Litchfield Hills Research believes KULR's opportunity in design and test for Li-ion batteries could exceed 1% of this market or \$1 billion.



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KULR-Buy-\$5 PT

Action Summary – 18 June 2020

Analyst Theodore R. O'Neill *is initiating coverage of KULR Technology Group, Inc. (KULR)*

- **We are initiating coverage of KULR Technology Group, Inc. with a Buy rating and an \$5 price target.** KULR Technology Group develops, manufactures and licenses next-generation carbon fiber thermal management and safety technologies for batteries and electronic systems.
- **Both the growth of electric-motor based transportation and demand for increased safety of lithium-ion batteries are key drivers for KULR.** Semiconductor and other components that control current flow to the motors must manage considerable heat in the process. KULR has what we believe to be better and lighter materials for thermal management.
- **We estimate the total available market for KULR products and services is approximately \$8 billion**
- **Although there is limited operating history, commercialization of its technology is proceeding.** In April it announced a new licensing agreement with Americase allowing it to use KULR technology in a lithium-ion battery shipping container that prevents thermal runaway propagation during storage and transportation. In April, it also entered into a partnership with Hazmat Safety Consulting LLC to increase awareness of KULR's Li-ion battery safety technology within the transportation community.
- **Attractive valuation.** The company has been cutting costs and is targeting cash flow break-even by 4Q20.

6/17 Closing price: \$1.00	Market cap: \$81 million	2021 P/E: NMF	EV/2021 Sales: 15
Shares outstanding: 81 million	Insider ownership: 52%	Avg. trading volume: 4,000	Dividend/Yield: NA/NA