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Press release December 10, 2018

Trading in Azelio's share on Nasdaq First North commences today

Azelio AB (publ) ("Azelio" or the "Company"), announces that the trading in the Company's share on Nasdaq First North commences today under the short name "AZELIO" with ISIN SE0011973940. Prior to the listing, Azelio has completed a share issue that provided the Company with approximately 2,200 new shareholders and minimum proceeds of SEK 242 million before transaction expenses (the "Offering"). The proceeds will primarily be used to finance the continued industrialization of the Company's system of Stirling engine-based concentrated solar power with thermal energy storage that enables electricity production around the clock.

Advisors

Pareto Securities acted as Sole Global Coordinator and Bookrunner, Vinge acted as legal advisor to Azelio and Pareto Securities in connection with the Offering.

Certified Adviser

FNCA Sweden AB is chosen to be Certified Adviser for Azelio.

Stabilization measures

In connection with the Offering, Pareto Securities may carry out transactions in order to maintain the price of the Company's shares at a level higher than the level that would otherwise prevail on the market. These stabilization measures, which aim to support the market price of the shares, may be conducted on Nasdaq First North, the OTC market or in other ways, and may be conducted at any time during the period starting on the first day of trading in the shares on Nasdaq First North and ending 30 calendar days thereafter. Under no circumstances will transactions be carried out at a price higher than the price in the Offering. Pareto Securities and its agents are not required to take any of these measures and it can therefore not be guaranteed that any stabilization measures will be taken. If stabilization measures are taken, Pareto Securities or its agents can terminate them at any time. Except for what is required by law or other regulation, Pareto Securities does not intend to disclose the extent of any stabilization measures.

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The information was provided by the above contact persons for publication at 08:00 CET on December 10, 2018.

About Azelio AB (publ)

Azelio is a technology company that offers a system of Stirling engine-based concentrated solar power with thermal energy storage that enables electricity production around the clock. The Company has its head office in Gothenburg, Sweden, with production in Uddevalla and a development center in Gothenburg and Åmål, as well as a sales office in Beijing, China and a representative office in Madrid, Spain. As of September 30, 2018, the Company had 75 employees.

Azelio's technology and development

The Company's Stirling engine is commercially applied, having accumulated over two million operating hours and 172 installations globally, while the subsystem for thermal energy storage has been validated in demonstration plant in June 2018, but has not yet been commercially applied. Over the period 2018–2020 the Company will focus on the industrialization of the system's design, construction and production. In the fourth quarter 2019 three systems in a verification project will be installed in Morocco jointly with the state-controlled Masen. From 2020 onwards, another 8–16 systems are expected to be installed in commercial projects, with volume production expected from 2021.

Azelio's market and customers

The technology is well suited for areas that today lack access to a power grid or have no reliable power grids. The Company assesses that Azelio's solution can be used to accelerate the rollout of electricity to the approximately one billion people around the sun belt who currently have no access to reliable electricity. The Company intends to sell its system to EPC-contractors which then install the system for the end customer. Future end customers may for instance be energy-intensive customers such as mining industry, cement industry and process industry.

Important information

This announcement is not and does not form a part of any offer for selling, or a request to submit an offer to buy or acquire, shares or other securities of the Company.

Copies of this announcement are not being made and may not be distributed or sent into the United States, Australia, Canada, New Zealand, Hong Kong, Japan, South Africa or any other jurisdiction in which such distribution would be unlawful or would require registration or other measures.



The securities referred to in this announcement have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), and accordingly may not be offered or sold in the United States absent registration or an exemption from the registration requirements of the Securities Act and in accordance with applicable U.S. state securities laws. The Company does not intend to register any offering in the United States or to conduct a public offering of securities in the United States.

This press release constitutes promotion as is not a prospectus for the purposes of Directive 2003/71/EC (this Directive, together with all amendments thereto and applicable implementing measures in the relevant home Member State under this Directive, is referred to as the “**Prospectus Directive**”). A prospectus that is prepared in accordance with the Prospectus Directive will be published, and may, when published, be obtained from the Company. Investors should not invest in any securities referred to in this announcement except on the basis of information contained in the aforementioned prospectus.

In any EEA Member State other than Sweden that has implemented the Prospectus Directive, this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Directive, i.e., only to investors who can receive the offer without an approved prospectus in such EEA Member State.

This communication is only being distributed to and is only directed at persons in the United Kingdom that are (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Order**”) or (ii) high net worth entities, and other persons to whom this announcement may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “**Relevant Persons**”). This communication must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this communication relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. Persons distributing this communication must satisfy themselves that it is lawful to do so.

Matters discussed in this announcement may constitute forward-looking statements. Forward looking statements are statements that are not historical facts and may be identified by words such as “believe”, “expect”, “anticipate”, “intends”, “estimate”, “will”, “may”, “continue”, “should” and similar expressions. This applies in particular to statements relating to future results, financial position, cash flow, plans and expectations of the Company’s operations and management, future growth and profitability, general economic and regulatory environment and other factors affecting the Company, many of which are based on further assumptions, such as no changes in existing political, legal, fiscal, market or economic conditions or applicable law (including but not limited to accounting principles, accounting methods and tax policies), which may or may not be of importance to the Company results or its ability to operate. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to



significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements.

Potential investors should therefore not attach undue confidence to the forward-looking information herein, and potential investors are urged to read the parts of the prospectus that include a more detailed description of factors that may affect the Company's operations and the market in which the Company operates.

The information, opinions and forward-looking statements contained in this announcement speak only as at its date and could be subject to change without notice.

In connection with the offer or sale of securities referred to herein, the Pareto Securities may over-allot securities/conduct stabilisation or effect transactions with a view to supporting the market price of the securities at a level higher than that which might otherwise prevail. Any stabilisation action or over-allotment will be conducted by the Pareto Securities in accordance with all applicable laws and rules.