



AZELIO NEWSLETTER, AUGUST 2020

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Partners / Agreements

Azelio signs MOU of 10 MW in Chile for energy storage to the mining Industry

April – 2020

Azelio has signed a Memorandum of Understanding (MOU) with the Chilean company Industria Mecánica VOGT S.A. (VOGT) to assess energy storage projects for the mining industry in Latin America. The MoU frameworks a collaboration over a 10 MW capacity of Azelio's energy storage from 2021 until 2024. The parties expect to trigger further projects after this initial agreement.

Read the full press release here: <https://www.azelio.com/investors/press-releases/2020/azelio-signs-mou-with-partner-in-chile-for-energy-storage-supply-to-the-mining-industry/>

MOU of 20 MW signed in Mexico for storage in Mexico, North and Central America

June – 2020

Azelio has signed a Memorandum of Understanding (MOU) with Mexican, CITRUS JMK S.A DE C.V (CITRUS) to assess energy storage for the food and beverage, agricultural, mining, and the oil & gas industry as well as the tourism sector with hotels and resorts in Mexico, North and Central America. The MoU frameworks a collaboration over a 20 MW capacity of Azelio's energy storage until 2024. The parties expect to trigger further projects in addition to this initial agreement.

Read the full press release here: <https://www.azelio.com/investors/press-releases/2020/azelio-signs-mou-with-partner-in-mexico-for-energy-storage-supply-to-commercial-and-industrial-customers/>

Azelio signs MOU of 45 MW with Trimark for energy storage in North America

June – 2020

Azelio's MOU with US-based company Trimark Associates Inc. (Trimark) covers a collaboration over 45 MW capacity of Azelio's energy storage until 2025 on the North American market, where Trimark will be the system integrator. In addition to this MoU, the parties anticipate an extended project pipeline once the first projects are initiated.

Read the full press release here: <https://www.azelio.com/investors/press-releases/2020/azelio-signs-a-mou-with-trimark-associates-in-the-us-for-energy-storage-projects-across-north-america/>

ALEC Energy and Azelio in agreement covering 49 MW installed capacity to 2025

July – 2020

ALEC Energy and Swedish company Azelio has signed a Memorandum of Understanding (MoU) that covers a collaboration over 49 MW installed capacity of Azelio's thermal energy storage until 2025. The projects are focused to the Middle East and African markets, where Alec Energy aims to expand its business offering as a renewable energy project developer and system integrator.

Read the full press release here: <https://www.azelio.com/investors/press-releases/2020/alec-energy-in-agreement-with-azelio-for-development-and-installation-of-energy-storage-in-the-middle-east-and-africa/>

Organization development/progress

Azelio's game-changing energy storage: This is how it works

Azelio is a true game-changer in renewable energy through its unique technology for thermal energy storage with dispatchable power. Making clean electricity and heat accessible and affordable, around the clock. Click on the image or link below to see how Azelio's awarded system works.

Key Product Features:

Zero emission electricity and heat - Total efficiency of up to 90% - Lower cost than diesel power
Modular from 0.1 to 100 MW – No degradation in capacity over time – Fast installation



Link to video: <https://www.youtube.com/watch?v=LXb-WS-hAGk>

A look into Azelio's production facilities in Uddevalla

The manufacturing operation is built on the foundations of Swedish automotive excellence. Our high-volume production facility was formerly owned by Volvo Cars. It's built around the latest lean manufacturing principles and is supported by a network of automotive-grade suppliers and partners.

The production line in Uddevalla is prepared for serial production that is set to start in Q3 2021.



Azelio appoints Fredrik Wäppling as new CFO

June - 2020

Fredrik Wäppling joined Azelio's Executive Management Team as CFO on the first of June 2020. Fredrik has previously held leading roles in finance and has run projects in financing and capital raising at the Allgon Group, iZettle, Mycronic, Bravida and Preem, among others.

"With solid experience from both established companies and companies in rapid growth, Fredrik adds valuable knowledge to Azelio's commercialization," Jonas Eklind, CEO of Azelio.

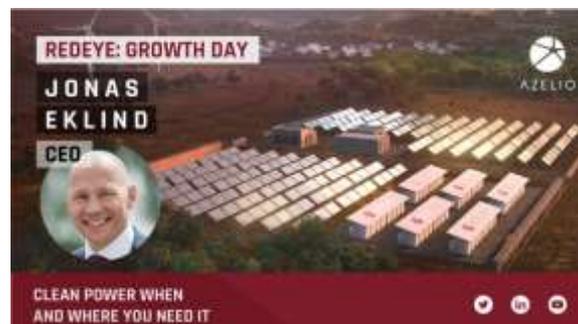


Fredrik Wäppling

Video: Jonas Eklind on Redeye's Growth Day

June - 2020

In June, Azelio's CEO Jonas Eklind spoke at the Redeye Growth Day. The full presentation, including Q&A can be viewed here:



See the video here: <https://www.redeye.se/video/event-presentation/787504/azelio-ceo-jonaseklind-presents-at-growth-day-2020>

Energimyndigheten (Swedish Energy Agency) on how Azelio's solution is revolutionising future energy storage

June - 2020

Energimyndigheten wrote an article on Azelio, describing how its unique storage technology is revolutionizing the world of renewable energy and improves the situation for people and the environment.

Read the full article here (Swedish): <http://www.energimyndigheten.se/nyhetsarkiv/2020/Energilagring-lyser-uppvagen-mot-en-fornybar-framtid/>

Azelio receives Business Vision Magazine's award: Best sustainable energy storage

June - 2020

"THE SUN provides clean, renewable energy, but the challenge facing the solar power industry is storage of the generated electricity. Swedish company Azelio has a solution: combining solar and thermal energy. The breakthrough technology takes a readily available, cost-effective and energy-dense material – molten aluminium alloy – to store heat from a feathered array of solar panels. The stored thermal energy can then be converted into electricity using Stirling engines that use cyclic compression and expansion of the working fluid at different temperatures for a net conversion of heat energy into mechanical work. The scalable solution features a modular design for practical set-up and distribution. The **BV** judging panel recognises this as an exceptional feat of engineering, and declares Azelio as the winner of the 2020 award for Best Sustainable Energy Storage Solutions (Nordics)."

Azelio's CEO, Jonas Eklind interviewed in Penserpodden by Erik Penser Bank

July - 2020

Jonas Eklind sat down with Erik Penser Bank to record a special summer podcast where he discusses all the latest developments at Azelio, including the ongoing transition into commercialisation, as well as future vision for the company.

Listen to the podcast here (Swedish): <https://poddtoppen.se/podcast/1477609633/penserpodden/penser-avsnitt-51-sommarspecial-med-jonas-eklund-fran-azelio>

Report update

Q1 report: The verification project started

May – 2020

Summary of the report: The verification of Azelio's storage technology in partnership with leading certification company DNV-GL has begun. An inauguration of Azelio's energy storage took place at one of the world's largest solar parks, Noor in Morocco. It was attended by government representatives, the World Bank and IFC, among others. In view of the current travel restrictions due to Covid-19 the verification will initially focus on the installation in Åmål, Sweden. Preparations for starting the verification of a further four energy storage units in Abu Dhabi, in collaboration with the company's partners Masdar and Khalifa University, are continuing according to plan.

Azelio's commercial successes continued in the first quarter with the signing of a memorandum of understanding with Hussein Atieh & Sons Co. (HAE) for a project in Jordan which will pave the way for a commercial partnership covering around 25 MW. The intention is that HAE will also become Azelio's sales, installation and O&M partner in Jordan.

Read the full Q1 report here: <https://www.azelio.com/files/Main/16031/3127916/release.pdf>

Update on Covid-19

The Pandemic's affect on Azelio

June - 2020

Azelio announced during the first quarter that Covid-19 will postpone the company's overall time plan by one quarter because of existing travel restrictions. At the same time, investments related to the start of production have been moved forward, which is why the company is financed until December 2020 (earlier September 2020).

Three months' delay is also expected to be valid until Azelio reaches positive cashflow, leading to an increased funding need of approximately SEK 75 million. Concretization of the increased need emerged after evaluating the project's impact from the postponed time plan. As a result Azelio communicated in June that the remaining financing needs are now estimated to be SEK 375 million compared to the previously stated SEK 300 million.

Read the full text here: <https://www.azelio.com/investors/press-releases/2020/azelio-business-update---continued-progress-and-increased-capital-requirements-due-to-covid-19/>

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