

Azelio signs conditional order with Engazaat Development S.A.E in Egypt for 20 energy storage units

Azelio has received a conditional order from Engazaat Development S.A.E. for 20 of Azelio's TES.POD® renewable energy storage units. The order is valued at approximately USD 1.5 million, and it is estimated that delivery will take place in December 2021. The order is conditional on, apart from customary project items, the ongoing techno-economic feasibility study for this specific project.

The TES.POD® units are intended to be financed, installed, and operated through a project company jointly owned by Azelio and Engazaat Development S.A.E., and be used in the SAVE sustainable agriculture project in Egypt. The 20 TES.POD® units have a combined storage capacity of 3.3 MWh of electricity production and will be part of a mini-grid system to supply farmers with renewable energy, thereby significantly lowering CO₂ emissions, energy related costs, and dependency on diesel.

Egypt-based Engazaat Development S.A.E (Engazaat) specialises in development, implementation, and management of infrastructure systems in the water, technology, and renewable energy sectors. In its sustainable agro-village and entrepreneurship platform project SAVE, at the Moghra Oasis in Egypt, a mini-grid system is planned to supply farmers with 85% of their energy from renewable sources. For the project a conditional order has been placed for 20 of Azelio's TES.POD® energy storage units, subject to the conditions of an ongoing techno-economic feasibility study for the specific project. Based on an agreed commercial setup and obtained permits, Engazaat and Azelio will establish a joint project company to finance and carry out the installation and operation of the project.

Azelio's TES.POD® is a long-duration energy storage system that stores renewable energy in recycled aluminium and supplies electricity and heat on demand around the clock. For the SAVE project, Azelio's TES.POD® combined with solar PV have proven to be a better long-term storage solution than lithium-ion batteries. The 20 TES.POD® units - with an electric output of 260 kW and storage capacity of 3.3 MWh of electricity production - will reduce diesel consumption by 232 m³ annually, thereby cutting CO₂ emissions by 603 tonnes per year.

"This conditional order is a significant milestone for Azelio. We are very proud to be part of Engazaat's sustainable agriculture initiative. We look forward to commencing a close and successful collaboration with Engazaat", says Jonas Eklind CEO of Azelio.

"Capitalizing on their superior energy storage technology we aspire with Azelio to launch a unique business model that has the potential to transform the livelihood of small farmers in the Egyptian Sahara Desert, the biggest sand ocean on the planet. Together we believe we will be able to decrypt the power supply formula necessary for water and food production sustainably both ecologically and economically", says Muhammad El Demerdash CEO Engazaat.

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This disclosure contains information that Azelio AB is obliged to make public pursuant to the EU Market Abuse Regulation (EU nr 596/2014). The information was submitted for publication, through the agency of the contact persons, on 19 August 07:00 CEST.

About Azelio

Azelio specialises in energy storage with electricity and heat production. The technology is revolutionary in that the energy becomes dispatchable, making renewable energy available around the clock. The energy is stored in recycled aluminium from which it is converted into electricity and heat with a total efficiency of up to 90 %. The solution is scalable, sustainable, and cost-efficient from 0.1 MW up to 100 MW. Azelio has approximately 170 employees, is headquartered in Gothenburg, has production in Uddevalla (Sweden) and development centres in Gothenburg and Åmål (Sweden), as well as a presence in Stockholm, Beijing, Madrid and Ouarzazate (Morocco). Azelio is listed on Nasdaq Stockholm First North Growth Market with FNCA Sweden AB as Certified Adviser: +46(0)8-528 00 399, info@fnca.se. More about Azelio: www.azelio.com

About Engazaat Development S.A.E.

Engazaat development is an Egyptian company that specialises in the development, implementation, and management of state-of-the-art infrastructure systems, in water, technology and renewable energy sectors with a unique set of enterprise business solutions and non-traditional payment and financing structures. Since 2014, Engazaat has been one of the leading qualified companies to tap into the renewable energy market - when Egypt had for the first time enabled the private sector investment policies in power sector - and has been growing year-on-year as an independent power producer. For utility scale projects, Engazaat current business portfolio in RE utility scale projects exceeds 20MW IPP projects under development and a pipeline exceeding 140 MW in partnership with international developers, and more than 20 MW of total project in commercial scale applications both as EPC/EPC-F predominantly in the agriculture sector and integrated water/energy solutions. Engazaat list of references includes the Ministry of Defense, Ministry of Planning, Ministry of Education, and top tier private sector enterprises.