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Press release 19 October 2022

Azelio announces outcome in the company's fully guaranteed rights issue

Today, Azelio AB (publ) ("Azelio" or the "Company") announces the outcome of the Company's fully guaranteed rights issue (the "Rights Issue"), which concludes that 16,422,979 units, corresponding to approximately 56.7 per cent of the offered units, have been subscribed for with unit rights in the Rights Issue. Additionally, applications for subscription of 737,613 units without unit rights, corresponding to approximately 2.5 per cent of the offered units, have been received. In aggregate, the subscriptions by exercise of unit rights and the applications for subscription without unit rights correspond to approximately 59.2 per cent of the offered units. Hence, guarantee commitments of approximately 11,808,703 million units, corresponding to approximately 40.8 per cent of the offered units, will be utilised. The Rights Issue will provide the Company with approximately SEK 300 million before deduction of costs related to the Rights Issue.

On 23 September 2022, Azelio announced that the board of directors, pursuant to the authorisation granted by the annual general meeting on 12 May 2022, had resolved on a fully guaranteed rights issue of units, consisting of new shares and warrants, of up to approximately SEK 300 million.

Final outcome

The Rights Issue is comprised of 28,969,295 units, of which 16,422,979 units, corresponding to approximately 56.7 per cent of the offered units, have been subscribed for with unit rights. Additionally, applications for subscription of 737,613 units without unit rights, corresponding to approximately 2.5 per cent of the offered units, have been received. Consequently, the Rights Issue is subscribed to approximately 59.2 per cent of the offered units with and without the support of unit rights. Guarantee commitments of 11,808,703 units, corresponding to approximately 40.8 per cent of the offered units, will be utilized. The last day of trading in paid subscribed units (Sw. BTU) is expected to be on 26 October 2022. Trading in the new shares and warrants subscribed for with and without unit rights are expected to commence on Nasdaq First North Premier Growth Market on or about 31 October 2022.

Notice of allotment

Those who have subscribed for units without unit rights will be allocated units in accordance with the allotment principles set out in the prospectus published on 28 September 2022. Notice of allotment to the persons who subscribed for units without unit rights is expected to be distributed on 20 October 2022. Subscribed and allotted units shall be paid in cash in accordance with the instructions on the contract note. Subscribers who have subscribed



through a nominee will receive notification of allocation in accordance with their respective nominee's procedures. Only those who have been allotted units will be notified.

Number of shares and share capital

Through the Rights Issue, the number of shares in Azelio will increase by 202,785,065, from 115,877,180 to 318,662,245 and the share capital will increase by a maximum of approximately SEK 101,392,535.43, from approximately SEK 57,938,591.67 to approximately SEK 159,331,127.10.

Upon full exercise of the warrants of series TO33 covered by the Rights Issue, the number of shares may increase by up to an additional 28,969,295 shares, from 318,662,245 to 347,631,540 and the share capital to increase by up to additional approximately SEK 14,484,647.92, from approximately SEK 159,331,127.10 to approximately SEK 173,815,775.02, provided that all warrants are exercised.

Advisers

Carnegie Investment Bank AB (publ) and Pareto Securities AB act as Joint Global Coordinators and Bookrunners. Advokatfirman Vinge is legal adviser to the Company and Baker McKenzie is legal adviser to the Joint Global Coordinators and Bookrunners in connection with the Rights Issue.

For further information, contact

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Certified Advisor

The Company's Certified Advisor is FNCA Sweden AB which can be reached on +46 (0) 8-528 00 399 och per e-post info@fnca.se.

This information is such information that Azelio AB is obligated to make public pursuant to the EU Market Abuse Regulation 596/2014. The information was submitted, through the agency of the contact person above, for publication on 19 October 2022, 20:15 CEST. Above responsible person can also be contacted for further information.

About Azelio

Azelio specializes 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 and 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 20 MW. Azelio is headquartered in Gothenburg, Sweden. Production takes place in Uddevalla and the Company maintains development centers in Gothenburg and Åmål, has a presence in Stockholm, as well as Regional Directors for Australia, US, southern Africa and the MENA region. Azelio is listed on Nasdaq Stockholm First North Growth Market with FNCA Sweden AB as Certified Adviser. More about Azelio: www.azelio.com

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, Hong Kong, Japan, Canada, New Zealand, 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 exercised, offered, sold, resold, delivered or otherwise transferred, directly or indirectly, in or into the United States, except pursuant to an applicable exemption from, or in a transaction not subject to, the requirements of the Securities Act and in compliance with any applicable securities legislation in any state or other jurisdiction of the United States. 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.

Forward-looking statements

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", "deems", "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.