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Azelio's verification project in Morocco delivers first electricity

Azelio's verification project in Morocco has been completed and the first electricity has been produced according to plan: that is, by the end of the year. The verification of Azelio's solution for the storage and production of sustainable electricity on demand around the clock, is a significant step in the industrialisation of the company.

During the fourth quarter of 2019, Azelio has prepared its verification project with its strategic partner, the state-owned Moroccan Agency for Sustainable Energy, Masen, at Ouarzazate Solar Power Station (also known as Noor Power Station) in Morocco, one of the world's biggest. Since two modules comprising Azelio's energy-storage solution were deployed in early December, further installations have been carried out. The first electricity from the energy-storage has been produced, whereby Azelio fulfils its goal of producing electricity before the end of the year.

Today there are two modules on the site, consisting of energy-storage units as well as units designed to convert stored heat to electricity which is then used to boost the thermal energy storage. The modules also comprise a Stirling engine which converts the heat energy stored to sustainable and dispatchable electricity around the clock. The storage units will be charged with the help of electricity generated by 1 000 square metres of solar panels.

The aim of the verification project is to generate data showing the technology's performance levels in a real-world environment over the coming months. This means that the technology will become bankable since Azelio's customers will be able to use this data to seek funding for projects involving Azelio's technology.

"I am impressed with the goal-oriented and successful work that has been carried out by Azelio's employees both in Sweden and on location in Morocco to complete the verification project," says Peter Gabrielsson, Vice President Operations at Azelio. "Our collaboration with our strategic partner Masen has been very effective, and the next step is for the verification project to start generating useful data."

Azelio CEO Jonas Eklind says: *"This has been an eventful year for Azelio, which we are now ending successfully with the delivery of the first electricity produced during our verification project in Morocco. We have now laid the foundations for the industrialisation of our technology, and I look forward to starting to turn the great interest shown in Azelio's solution into actual orders next year."*

Earlier today, Azelio announced that the rights issue for which the subscription period ended on December 23, 2019, was oversubscribed. The company will thus receive approximately SEK 350 million before deduction of transaction costs. The funds will finance the company's ongoing operations and the commercialization of its thermal energy storage technology and Stirling-based sustainable



electricity generation.

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About Azelio

Azelio is a public Swedish company that specialises in Stirling-engine-based power solutions involving the storage of thermal energy for the production of sustainable electricity on demand. The technology is revolutionary owing to its adaptability, allowing it to operate in systems that include other renewable solutions, and also on account of its unique capacity to store the power for a lengthy period at a low cost for the production of electricity at nominal power for 13 hours. The company has over 160 employees, is headquartered in Gothenburg, has production facilities in Uddevalla, development centres in Gothenburg and Åmål, as well as international offices in China, Spain and Morocco. Since its establishment in 2008, the company has invested over SEK 1 billion in the technical development of the Stirling engine and energy-storage solution. In June 2018, the company changed its name from Cleanergy to Azelio, and in December 2018 it was listed on Nasdaq Stockholm First North. FNCA Sweden AB is the company's certified adviser: +46(0)8-528 00 399, info@fnca.se.