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News Release

Tenpower Announces 3.6 GWh Capacity Expansion Plan

- **Expected annual production capacity will increase by 300 million cells**
- **The first production line expects to start operation as early as October 2021, and the full expansion plan is expected to be completed during 2022**

Zhangjiagang, China - December 15, 2020 - Tenpower announced a 1.26 billion Chinese yuan investment plan to expand its lithium-ion battery cell manufacturing plant 2 in Zhangjiagang. The expansion scheme will add 26,556 square meters to its current site. As a result, the company expects an additional 300 million 18650/21700 cells to the current annual production capacity. By 2022, Tenpower's total annual production capacity will reach 700 million cylindrical cells upon completion of the expansion scheme.

"This production expansion will ensure that we respond quickly to the growing market demand and will help us maintain our leading position in the cylindrical lithium-ion battery market," said Mr. Kai Chen, the company's chairman. "Tenpower will continue to invest in fundamental research and development, continue to strengthen our technical advantage, and narrow the gap with the leaders of the international market."

Environment Protection

- The expansion project fully complies with local environmental regulations regarding the industrialization of "high safety, long cycle-life, high-energy-density lithium battery manufacturing" in the Taihu lake region.

Research & Development Platform

- Tenpower will be incorporating the Integrated Product Development (IPD) approach to establish a leading lithium battery development platform, which integrates the people, the systems, and the organizational structures to optimize fundamental material research capability and ensure Tenpower stays on top in the R&D race.

Project Plan

- Tenpower will be modernizing the new facilities with MES and fully integrated 5G technology, and investing significant capital in state-of-the-art equipment from slurry mixing to formation and grading lines.
- The first production line expects to start operation as early as October 2021, and the full expansion plan is expected to be completed during 2022.

About Tenpower

Tenpower is a leading cylindrical lithium-ion battery cell developer and manufacturer specialize in producing high rate lithium-ion battery cells. Tenpower has accumulated tremendous amounts of know-how through 14 years of persistent endeavor in basic material research and electrochemical

technologies. Owing to prior experience in the power tool battery industry, Tenpower is a strong proponent of quality-first philosophy, investing heavily in state-of-the-art equipment and rigorous quality control processes to guarantee the consistency and safety of the battery cells. Today Tenpower has expanded to various industries including power tools, micro-mobility, smart appliances and critical applications, incorporated into the supply chain of many leading first-tier international companies, shipping more than 10 billion battery cells to hundreds of companies across more than 40 countries. Further information at www.tenpowercell.com.

About Azure Corporation

Azure Corporation (江苏蔚蓝锂芯股份有限公司) is a China-based company mainly engaged in the manufacturing of lithium battery cell and semiconductors, as well as metal logistics and distribution business. The Company operates its businesses through three segments. The lithium-ion battery cell segment is mainly engaged in the manufacturing of lithium-ion battery cells. The semiconductor segment is primarily engaged in the manufacturing and sales of light-emitting diode (LED) epitaxial wafers and chips. The metal logistics and distribution segment consists of active distribution business and commissioned business of its products. Further information at www.azurecorp.com.