



AUGWIND

# Investor presentation

August 31st, 2022



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harnessing the elements  
for a **CLEAN FUTURE.**



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# TODAY'S CALL

1



**Our solutions address  
the world's most critical  
energy needs**

2



**Expanding our  
product portfolio**  
Introducing additional  
Products in the pipeline

3



**Q2 2022  
Key Financial highlights**

Today, more than ever  
Augwind's solutions  
address the world's  
most critical needs:

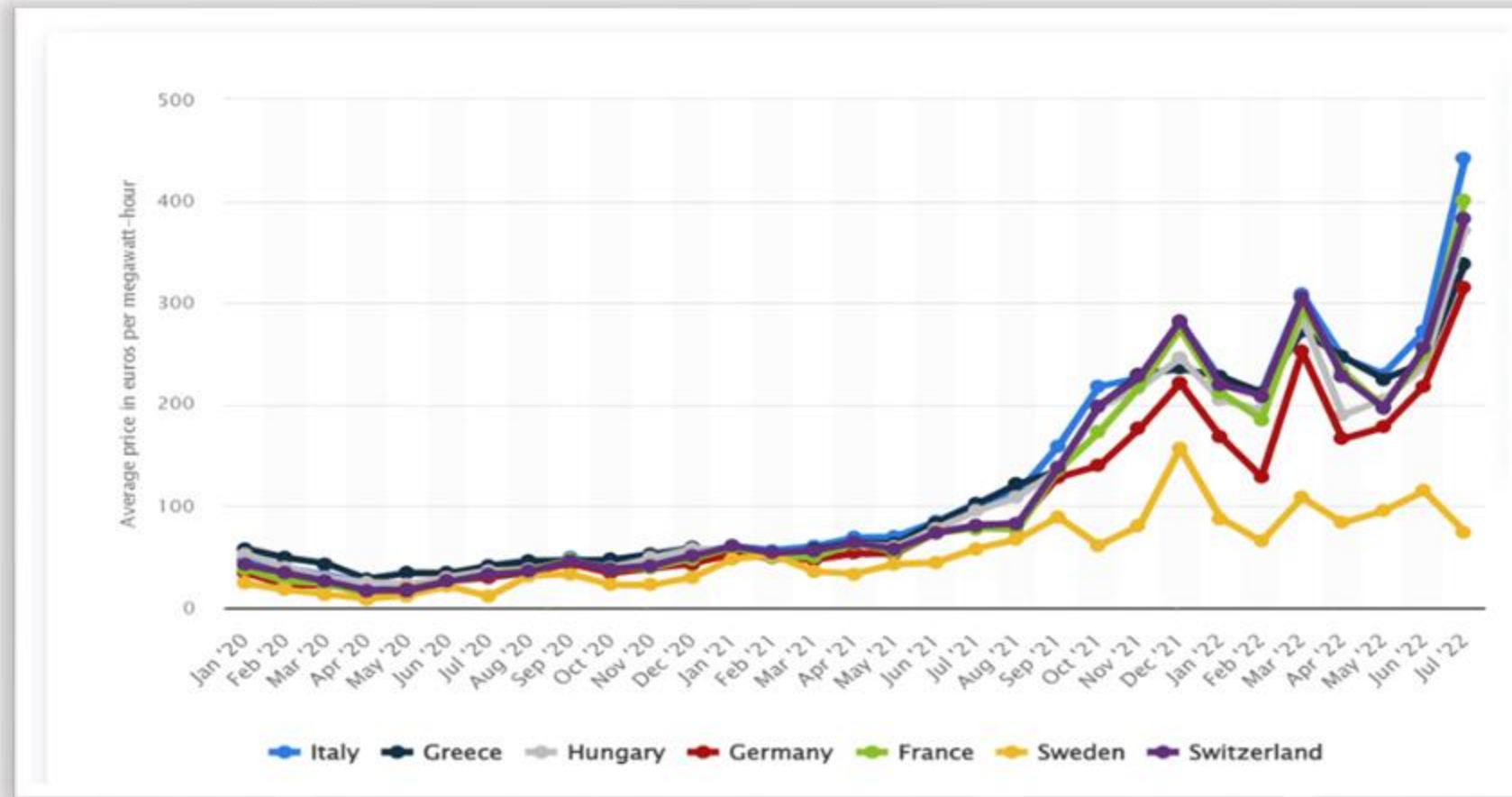
**1** Achieving energy efficiency

**2** Reducing carbon footprint





# Soaring energy prices enhance the value of Augwind's solutions



Source: Statista 2022



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# Augwind's current solutions

**\$1B** <sup>(2)</sup>  
TAM

## AirSmart

Streamlining compressor utilization  
for industrial applications

**Enabling operational  
continuity and efficiencies**



**\$30B** <sup>(1)</sup>  
TAM

## AirBattery

Novel energy storage system  
based solely on air and water

**Enabling a global shift to  
renewable energy**

(1) Company's estimates, analysis based on Bloomberg, IHS Market

(2) Company's analysis, for US, EU and Israel, as elaborated in the Annual report

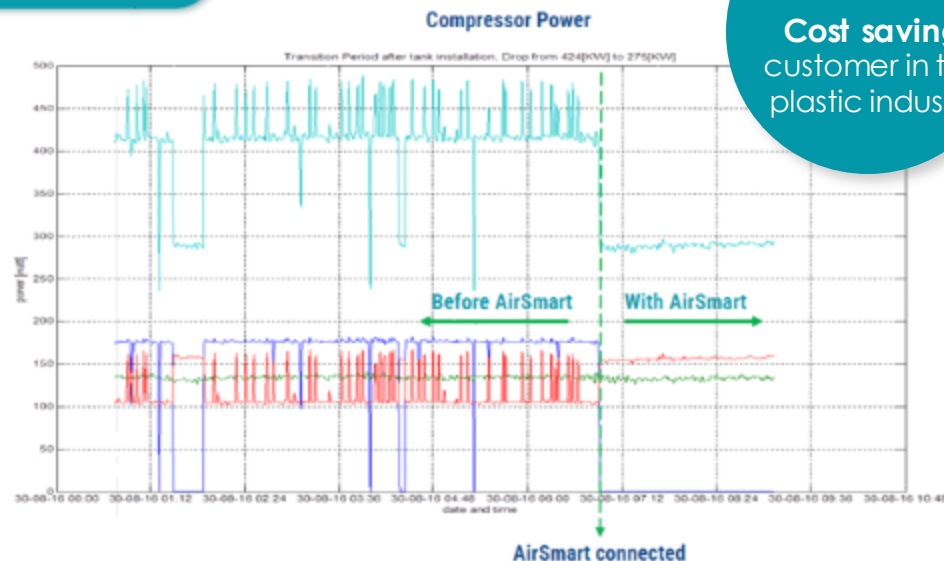


# AirSmart - proven energy savings



## Plastic Industry

- ✓ **Energy efficiency**
  - 35% energy savings (1,192,000 kWh annually)
- ✓ **Process efficiency**
  - Pressure reduction from 7.5 to 4.5 Bar.
- ✓ **Process stabilization**
  - Zero pressure drops.
  - Improved up-time to 100%.



**35%**  
Cost saving  
customer in the  
plastic industry



**15%**  
Cost saving  
customer in the  
plastic industry



**17%**  
Cost saving  
customer in the  
metal industry



Steel



Chemical &  
Petroleum



Cement



Plastic



Glass



Paper & Pulp



Automotive



Food & Beverages



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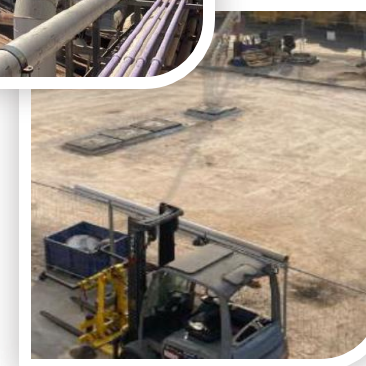
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# Another project successfully built in Q2-22



Client	<b>Tempo Beverages</b> (top Israeli manufacturer, part of Heineken group)
Location	Netanya Industrial Park, Israel
AirX Tanks	3 tank, Max pressure 40 bar
Expected operation	Sep. 2022
Augwind income	NIS 2mil.
Expected energy savings	30%







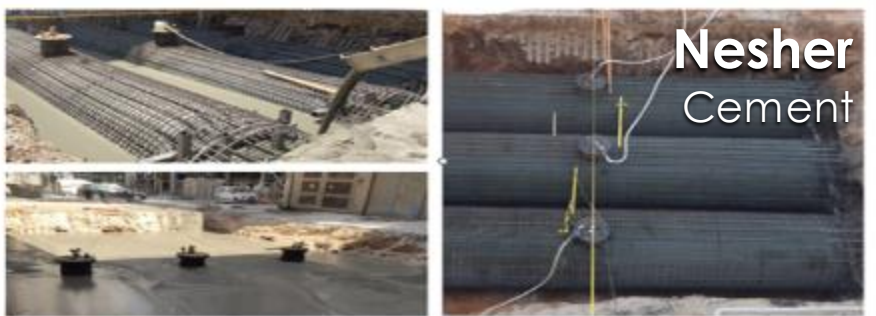
**Tempo**  
Beverages



**Iscar A**  
Metalworks



**Thuva**  
Food & Dairy



**Nesher**  
Cement



**Shalem Packaging**  
Plastics



**Strauss**  
Food & Dairy



**MOD**  
Defense



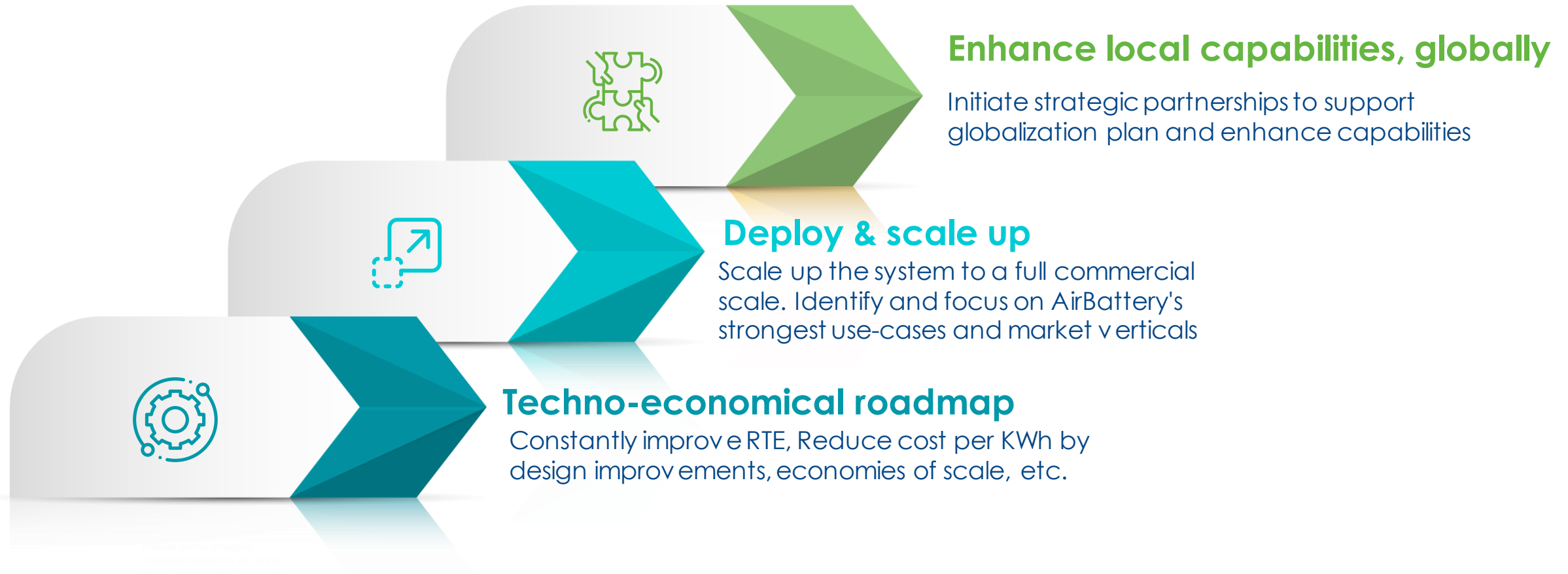
**Iscar B**  
Metalworks



**Nilit**  
Textile

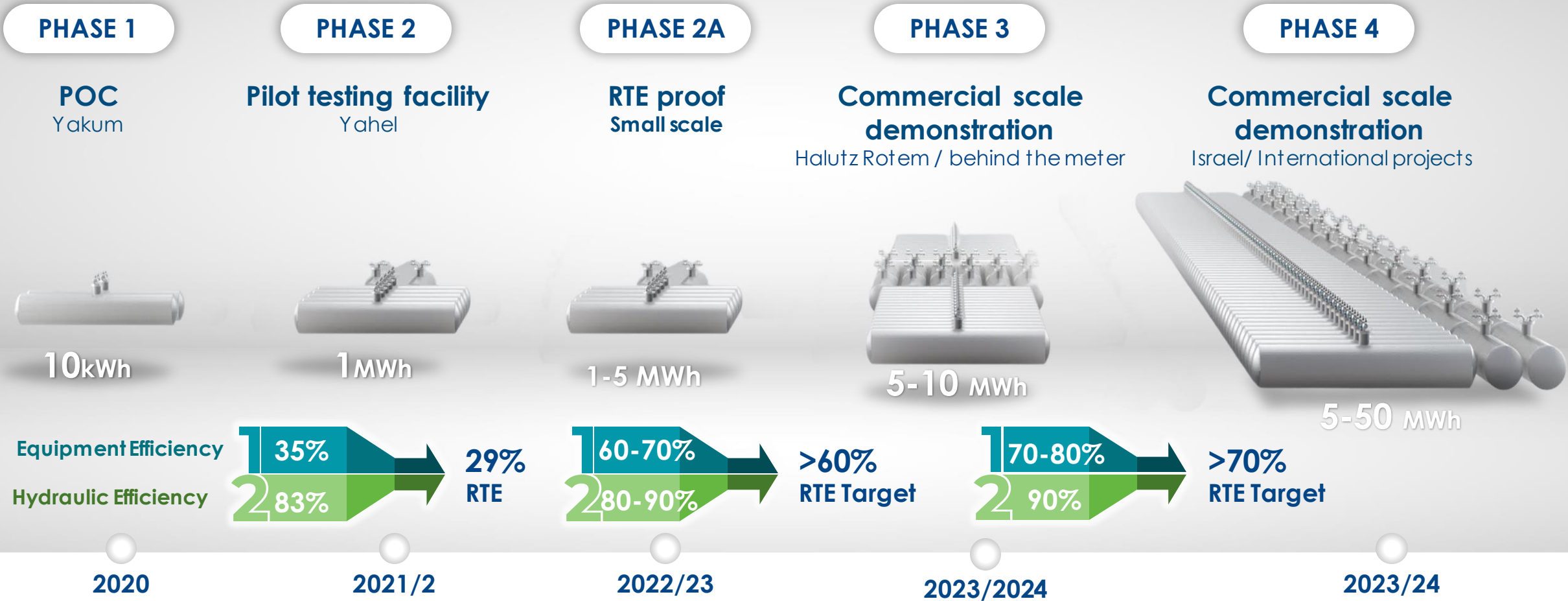


# AirBattery strategic pillars for global commercial success



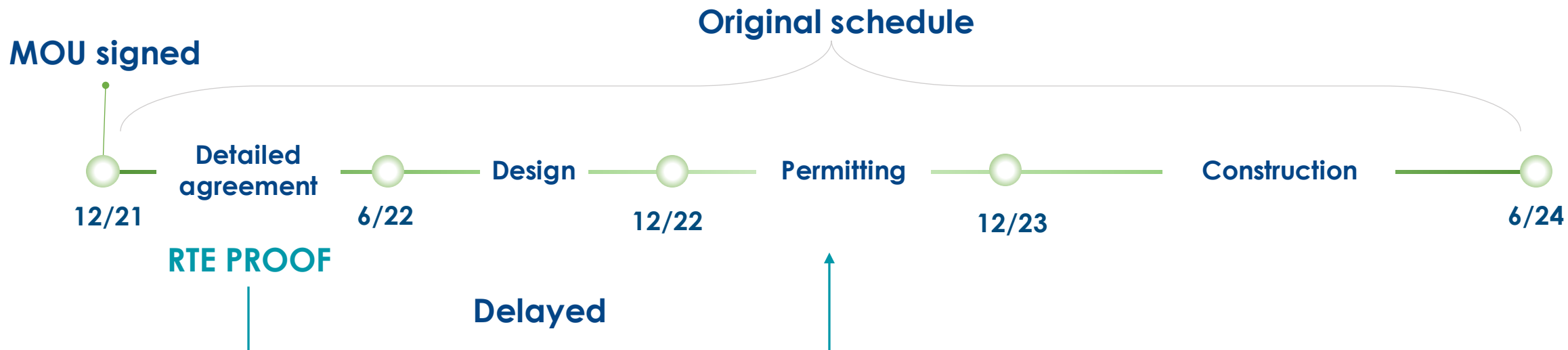


# Scale-up and Technology roadmap



RTE- Round-Trip Efficiency

# IEC AirBattery schedule delayed



29.8.22

”מחברת החשמל נמסר כי "אגירת אנרגיה חשובה וקריטית לעתיד משק החשמל ולכן חברת החשמל תמשיך לחפש, לבחון ולתמוך בפרויקטי אגירה חדשניים. אוגווינד מביאה גישה טכנולוגית מעניינת ולכן חברת החשמל תמשיך לשתף פעולה ולבחון את התקדמות הטכנולוגיה שלה, אף שכעת היא טרם הבשילה לפרויקט תפעולי בהיקף מסחרי גדול".

כלכליסט





# Halutz Rotem AirBattery project

Estimated schedule:



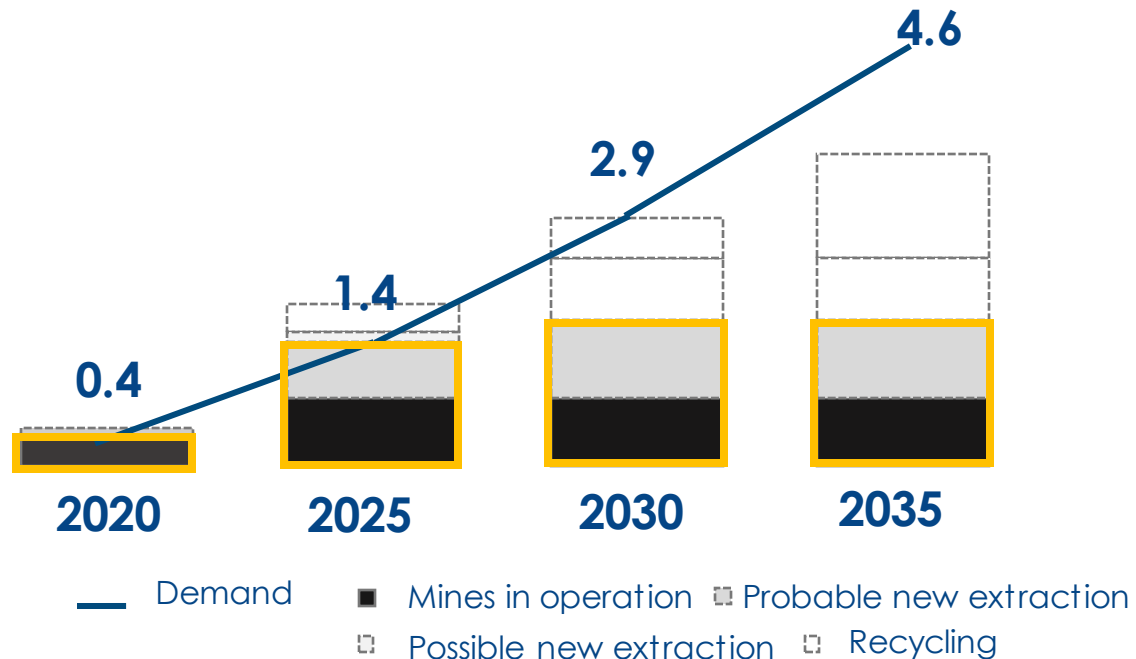
Project details:

Location	Dimona, Israel
PV Solar field	5 MWp
Energy storage capacity	10 MWh
Feed-in tariff:	US5.3 cent / KWh (in NIS)
PPA expiration	2045
Plot size	50 dunam

# Lithium: Major Demand/Supply Challenges Ahead

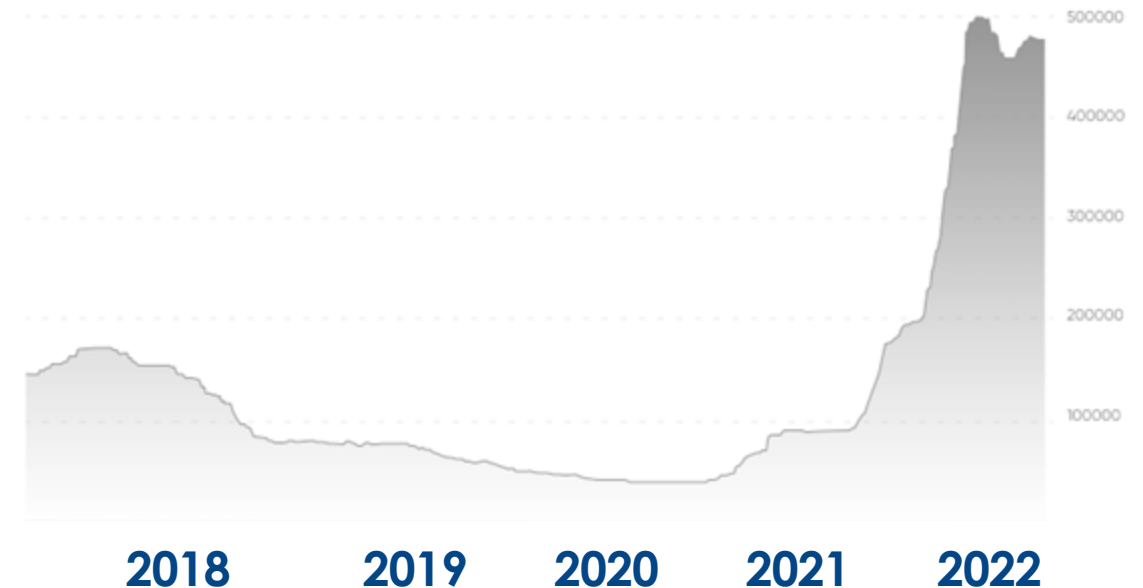
Shortages are expected through 2035 due to growing demand and Supply Chain Vulnerabilities

Forecasted global lithium supply and demand in million tons LCE



Source: [BCG](#), [capital](#)

5-year Lithium price





# Expanding our product portfolio

Introducing three additional lines of products based on Augwind's core technology



## **Use-cases for a variety of sectors:**

Energy, oil and gas, industry, etc.  
under development



## **Address the world's most critical needs**

Achieving energy efficiency  
and reducing carbon footprint



# Augwind's Core technology

**18**  
patents

**13**  
pending patents

**Underground storage**  
of high-pressure  
air/gas

**Isothermal  
charging** process



**Isothermal  
discharging**  
process



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# Water-compressor

Using water to compress air to high-pressure for industrial use

## The Need

Most industrial plants use high-pressure air for pneumatic and other processes

## The challenge

Producing compressed air efficiently and at low energy cost

## Augwind's solution

Using water-compressor instead of air-compressor, and **improving compression energy efficiency by 30%-50%**

## Augwind's Water Compressor



Generating compressed air in a unique highly energy-efficient process

## Total Addressable Market

\$**32<sub>B</sub>**  \$**43<sub>B</sub>**  
2022 2030

Air compressors  
global market size<sup>1</sup>

(1) Air compressor, Market estimates & trend analysis, GVR, 2022

# NG-2-H

Generating hydro-electricity at minimal cost from natural gas pressure reduction stations

## The Need

How to produce low-cost electricity with low carbon footprint

## The challenge

Developing innovative technologies for electricity generation

## Augwind's solution

Use wasted energy (natural gas pressure reduction) to produce electricity at minimal cost and zero carbon footprint. Possible retrofit to existing facilities.

## NG-2-H



Generating electricity while regulating pressures in natural gas distribution systems (PRMS)

## Product roadmap

**2022**

Adjusting Augwind's existing technology to natural gas environment

**2022/3**

Teaming up with natural gas transmission players to build commercial demo projects

**TBD**

Go to market

### **Huge Potential, Europe & US alone:**

5,000-10,000 PRMS units with estimated capacity potential of 4,000-6,000 MW<sup>3</sup>

(3) Based on study done by Augwind



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# Cavern-AirBattery (CAB)

Achieving low-cost seasonal energy storage by compressing air into existing underground caverns

## The Need

Long duration/seasonal energy storage.

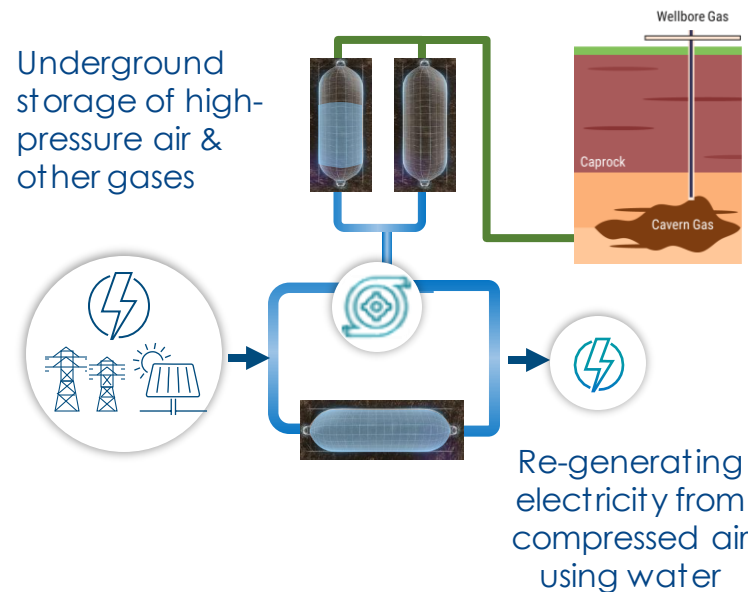
## The challenge

Achieving low-cost long duration/seasonal energy storage solutions and solutions for storage of other gases

## Augwind's solution

Use existing underground caverns (depleted gas fields, mines, etc.) to store compressed air & other gases

## Augwind's CAB



## Go to Market Strategy



Identify available underground caverns in relevant target markets



Team up with energy/infrastructure players



Perform feasibility studies  
Launch first demo project

## Market potential

Hundreds of \$M/year for Augwind<sup>2</sup>

(2) Company's analysis, based on technical potential of salt caverns for Hydrogen storage in Europe, Caglayan et al. 2020



# Augwind is expanding its product portfolio



# Key Financial Results – Q2.2022 (ILS Thousands)

## Profit & Loss

	Q2.22 A	Q2.21 A
Revenue	797	407
COGS	(1,199)	(134)
<b>Gross Profit (Loss)</b>	<b>(402)</b>	<b>273</b>
R&D expenses	(8,539)	277
Selling and Marketing	(1,475)	(3,850)
G&A	(36)	(8,950)
<b>Operating Profit (Loss)</b>	<b>(10,452)</b>	<b>(12,250)</b>
Finance and Tax expenses, net	724	117
<b>Net Profit (Loss)</b>	<b>(9,728)</b>	<b>(12,133)</b>

## Cash Flow

	Q1.22 A	Q2.22 A	H1.22 A
<b>Cash Opening balance</b>	<b>6,667</b>	<b>29,936</b>	<b>6,667</b>
Operating activities	(17,835)	(10,445)	(28,216)
Investing activities	39,274	(251)	39,023
Financing activities	1,830	623	2,389
<b>Total Cash Flow</b>	<b>23,269</b>	<b>(10,073)</b>	<b>13,196</b>
<b>Cash Closing Balance</b>	<b>29,936</b>	<b>19,863</b>	<b>19,863</b>

## Balance Sheet

	30/06/2022	31/12/2021
Cash & Cash equivalents	19,863	6,667
Short-term deposits	90,693	130,618
Trade receivables	1,722	3,479
Other accounts receivable	4,258	3,013
Inventories	2,545	1,849
<b>Current assets</b>	<b>119,081</b>	<b>145,626</b>
Long-term deposits	–	–
Other Long-term Assets	38,923	41,438
<b>Non-Current Assets</b>	<b>38,923</b>	<b>41,438</b>
<b>Total Assets</b>	<b>158,004</b>	<b>187,064</b>
		–
Current liabilities	15,345	14,530
Non-Current liabilities	15,329	15,261
Share capital and premium	326,075	322,730
Accumulated deficit	(198,745)	(165,457)
<b>Total Liabilities</b>	<b>158,004</b>	<b>187,064</b>



# AUGWIND

## Thank You

## Harnessing the elements for a clean future



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